

Reserve

1.913
C3Ed8

Educational and Methods Conference in Public Policy

LIBRARY
CURRENT SERIAL RECORD

SEP 13 1951

U.S. DEPARTMENT OF AGRICULTURE



PLANNED BY THE NATIONAL COMMITTEE ON AGRICULTURAL POLICY

Sponsored by

THE FARM FOUNDATION

600 South Michigan Avenue

Chicago 5, Illinois

January, 1950

EDUCATIONAL AND METHODS CONFERENCE
IN PUBLIC POLICY

Del Prado Hotel, Chicago, Illinois

January 19-21, 1950

Planned by the National Committee on Agricultural Policy
Sponsored by Farm Foundation, 600 S. Michigan Avenue
Chicago 5, Illinois

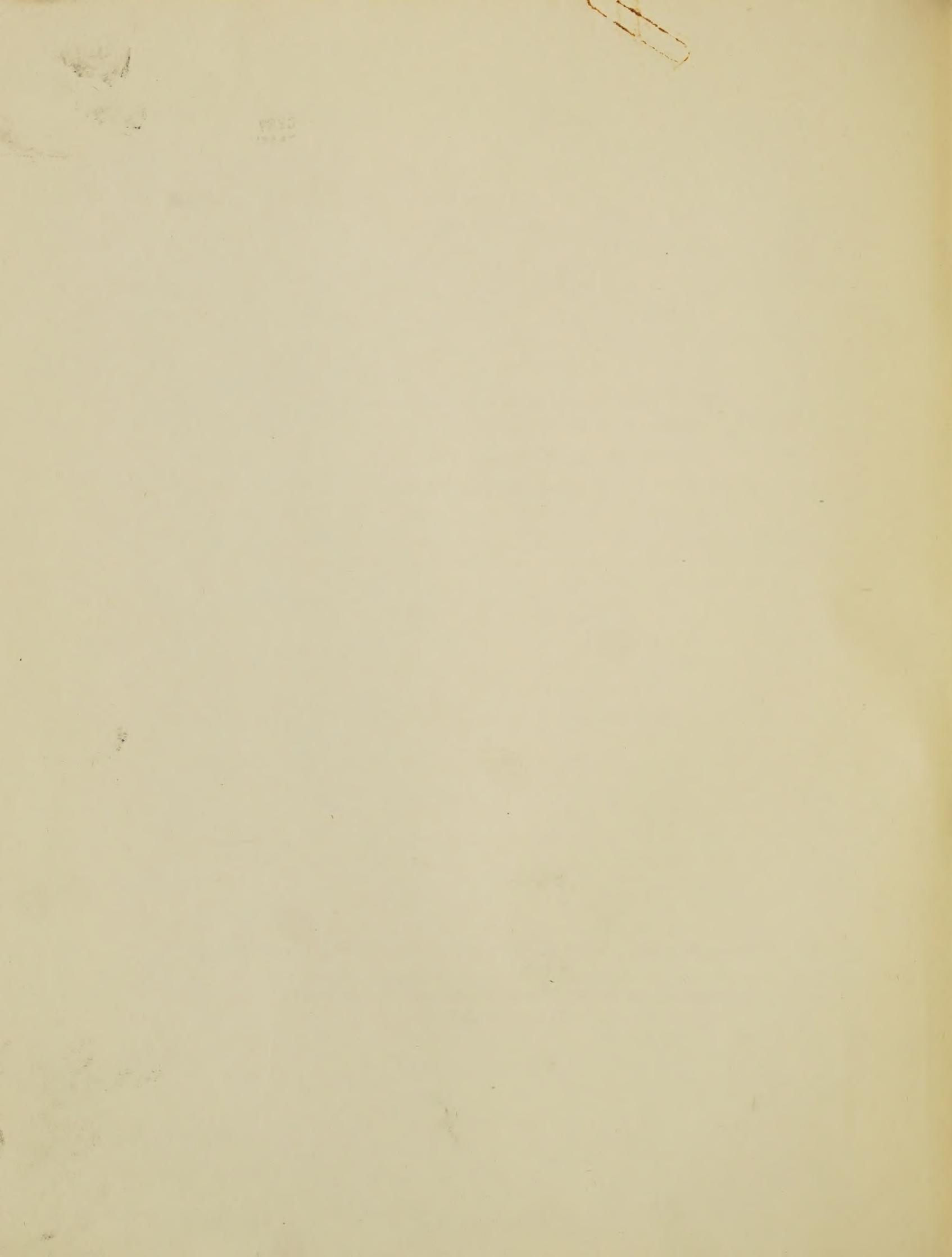


TABLE OF CONTENTS

	Page
National Committee on Agricultural Policy	ii
Program of the Conference	iii
List of Participants	v
Foreword	vii
Summary of the Proceedings	1
Objectives of the Conference, H. C. M. Case	5
How Farm Programs Are Made, T. K. Cowden	10
Agricultural Price and Income Support Problems, O. C. Stine	17
History and Development of Agricultural Programs, O. B. Jesness	20
Symposium on an Appraisal of the Proposed Solutions to the Agricultural Price and Income Problems from the Viewpoint of:	
A Consumer Economist, Richard B. Heflebower	24
A Sociologist, Edmund de S. Brunner	27
A Political Scientist, Charles M. Hardin	31
A Production Economist, H. R. Wellman	35
The Responsibility of the Land-Grant Colleges in Agricultural Policy, Noble Clark	40
Summary and Synthesis of Presentations on Agricultural Price and Income Proposals, F. F. Hill	46
A Frame of Reference for Analyzing Income and Price Policies, T. W. Schultz	52
Developing Discussion Groups for Farm Policy Education, Dan C. Dvoracek	54
Discussion of the Presentation of Information on Old Age and Survivors Insurance, J. B. Kohlmeyer	59
Survey of Activities Concerning Educational Work on Public Policy Problems by the Land-Grant Colleges and State Extension Services, L. M. Vaughan	61
Panel on Techniques and Methodology, J. C. Bottum, Leader	
Arthur Mauch	73
W. E. Ogg	75
Tyrus R. Timm	76
G. W. Westcott	79
Paul Johnson	82
General Discussion	84
Extension's Challenge in the Field of Public Policy, Skuli Rutherford	89
Where Do We Go From Here? F. W. Peck	92

NATIONAL COMMITTEE ON AGRICULTURAL POLICIES

H. C. M. Case, Head of Department of Agricultural Economics, University of Illinois, Urbana, Illinois (Chairman of the Committee)

F. V. Beck, Extension Specialist in Agricultural Economics, Rutgers University, New Brunswick, New Jersey

J. C. Bottum, Asst. Chief in Agricultural Economics, Purdue University, Lafayette, Indiana

A. J. Cagle, Extension Economist in Farm Management, State College of Washington, Pullman, Washington

G. W. Forster, Head of Department of Agricultural Economics, University of North Carolina, State College Station, Raleigh, North Carolina

F. F. Hill, Head of Department of Agricultural Economics, Cornell University, Ithaca, New York

G. E. Lord, Asst. Director of Agricultural Extension Service, University of Maine, Orono, Maine

J. H. McLeod, Dean of College of Agriculture, University of Tennessee, Knoxville, Tennessee

P. E. Miller, Director of Agricultural Extension Service, University of Minnesota, St. Paul, Minnesota

T. R. Timm, Extension Economist and Professor of Agricultural Economics, Texas A. and M. College, College Station, Texas

R. B. Tootell, Director of Extension Service, Montana State College, Bozeman, Montana

H. R. Wellman, Head of Division of Agricultural Economics, University of California, Berkeley, California

Consultants

Edmund de S. Brunner, Teachers College, Columbia University, New York, New York

Charles M. Hardin, Department of Political Science, University of Chicago, Chicago, Illinois

H. M. Dixon, Chief, Div. of Agricultural Economics, Extension Service, U. S. Department of Agriculture, Washington, D.C.

O. V. Wells, Chief, Bureau of Agricultural Economics, U. S. Department of Agriculture, Washington, D. C.

Farm Foundation Representatives

F. W. Peck, Managing Director, Farm Foundation, 600 S. Michigan Avenue, Chicago, Illinois

Joseph Ackerman, Associate Managing Director, Farm Foundation, 600 S. Michigan Avenue, Chicago, Illinois (Secretary of the Committee)

PROGRAM

THURSDAY, JANUARY 19

Morning Session, G. E. Lord Chairman

The Scope of Agricultural Policy and Objectives of Conference	H. C. M. Case
How Agricultural Policy is Made	T. K. Cowden
History and Development of Agricultural Programs	O. B. Jesness

Afternoon Session, J. C. Bottum, Chairman

Proposed Solutions to the Agricultural Price and Income Problems	O. C. Stine
Symposium of An Appraisal of the Proposals from the Viewpoint of:	
A Consumer Economist	R. B. Heflebower
A Sociologist	E. de S. Brunner
A Political Scientist	C. M. Hardin
A Production Economist	H. R. Wellman

Banquet Session, H. C. M. Case, Chairman

The Responsibility of Land-Grant Colleges in Agricultural Policy	Noble Clark
--	-------------

FRIDAY, JANUARY 20

Morning Session, J. H. McLeod, Chairman

Summary of Presentations on Agricultural Price and Income Proposals	F. F. Hill
A Frame of Reference for Analyzing Income and Price Policies	T. W. Schultz

Afternoon Session, H. M. Dixon, Chairman

A Demonstration on Presenting Information on Farm Price and Income Policy to Farmers	D. C. Dvoracek
A Demonstration on Presenting Information on Old Age and Survivorship Insurance to Farmers	J. B. Kohlmeyer

SATURDAY, JANUARY 21

Morning Session, Joseph Ackerman, Chairman

Survey of Activities Concerning Education Work on Public Policy Problems
by the Land-Grant Colleges and State Extension Services L. M. Vaughan

Panel on Techniques and Methodology J. C. Bottum, Leader,
Arthur Mauch, W. E. Ogg, T. R. Timm, G. W. Westcott, and Paul Johnson

Luncheon Session, G. W. Forster, Chairman

Extension's Challenge in the Field of Public Policy Skuli Rutherford

Where Do We Go From Here? F. W. Peck

PARTICIPANTS

Ackerman, Joseph, Farm Foundation
Alcorn, George B., University of California
Anderson, A. T., University of Illinois
Anderson, Harry G., North Dakota Agricultural College
Atkinson, T. E., University of Arkansas
Bauman, C. G., Oklahoma A. and M. College
Beck, Frank V., Rutgers University
Bender, Lyle M., South Dakota State College
Bice, S. Avery, Colorado A. and M. College
Bond, M. C., Cornell University
Bottum, J. Carroll, Purdue University
Brannon, L. H., Oklahoma A. and M. College
Brunner, Edmund deS., Columbia University
Cagle, Arthur J., State College of Washington
Case, H. C. M., University of Illinois
Clark, Noble, University of Wisconsin
Cowden, T. K., Michigan State College
Dixon, H. M., U. S. Extension Service
Dvoracek, Dan C., University of Minnesota
Forster, G. W., North Carolina State College
Gibson, G. G., Texas A. and M. College
Gilman, Virgil, U. S. Extension Service
Hamilton, A. B., University of Maryland
Hardin, Charles M., University of Chicago
Hathaway, D. E., Michigan State College
Heflebower, Richard, Northwestern University
Hill, F. F., Cornell University
Hood, Kenneth, Pennsylvania State College
Jaccard, C. R., Kansas State College
Jesness, O. B., University of Minnesota
Johnson, Paul, Prairie Farmer
Klingner, C. E., University of Missouri
Kohlmeyer, J. B., Purdue University
Lord, George E., University of Maine
Love, Harry M., Virginia Polytechnic Institute
Luce, Marjorie, University of Vermont
McLeod, J. H., University of Tennessee
Manchester, Allen, University of Maine
Martin, Joe A., University of Tennessee
Mauch, Arthur, Michigan State College
Michaelsen, Leon, Utah State Agricultural College
Mims, Mary, Louisiana State University
Morgan, Thomas W., Clemson Agricultural College
Ogg, Wallace E., Iowa State College

Peck, F. W., Farm Foundation
Penn, Raymond J., University of Wisconsin
Perregeaux, E. A., University of Connecticut
Putnam, H. J., Mississippi State College
Ratchford, C. B., North Carolina State College
Rutherford, Skuli, University of Minnesota
Schruben, L. M., U. S. Extension Service
Schultz, T. W., University of Chicago
Shanley, Clarence, South Dakota State College
Simerl, L. H., University of Illinois
Smick, A. A., State College of Washington
Smith, Mervin G., Ohio State University
Snipes, L. F., University of Nebraska
Spaulding Irving A., Rhode Island State College
Stine, O. C., Bureau of Agricultural Economics
Stucky, Ralph, Montana State College
Teutsch, Wm. L., Oregon State College
Timm, Tyrus R., Texas A. and M. College
Triviz, A. E., New Mexico A. and M. College
Varner, O. B., Michigan State College
Vaughan, L. M., U. S. Extension Service
Walrath, Frank J., University of Tennessee
Wellman, H. R., University of California
Westcott, George W., University of Massachusetts
Wilcox, Robert W., University of Idaho

FOREWORD

For the past twenty years significant public policy in agriculture has profoundly affected the economic, social, and political destiny of this country. National experience with programs designed to promote the economic status of the agricultural industry has focused peculiar national attention upon relationships between agriculture and the balance of the economy.

Presently there is mounting interest in the fashioning of such a policy and program development as will achieve a common objective of farm welfare in line with the advancement of the general welfare. It is high time that all segments of our intelligent population better understand all phases of existing and of proposed policies that bear so directly upon the levels of living that will prevail in our economy over at least the next quarter of a century.

Finally, there is being manifested an experienced need, that constitutes almost a demand, that educational institutions, essentially those with extension resources, assume the leadership required to stimulate consideration and discussion of important public questions. This does not mean in any sense embarking upon a program of supporting, advocating, condemning or advising what points of view or what judgments participants in discussions may embrace--the teaching function clearly is one of stimulating and leading consideration of all sides and angles of any given policy or hypothesis.

In keeping with its objective of promoting better understanding by rural people of those forces and influences that bear upon their economic, social, and spiritual welfare, the Farm Foundation called a meeting in Chicago in July 1949, to explore ways and means of increasing the knowledge and of stimulating the interest of rural groups in public policy subjects.

As a result of that meeting, and with the approval of the Extension Committee on Organization and Policy, of the Association of Land-Grant Colleges and Universities, a National Committee on Agricultural Policy was established. That committee recommended a three-day training conference for state extension economists working in this field. This publication contains a report of that conference with its recommendations for further action.

Special appreciation is extended to the following committee which developed the program and details of the conference: J. C. Bottum, Chairman, F. F. Hill, and P. E. Miller. H. C. M. Case and Joseph Ackerman, Chairman and Secretary respectively of the National Committee, served as ex-officio members of the planning committee.

F. W. Peck

SUMMARY OF THE PROCEEDINGS
of the
EDUCATIONAL AND METHODS CONFERENCE IN PUBLIC POLICY
HELD IN CHICAGO, ILLINOIS, JANUARY 19-21, 1950

1. This conference was planned and conducted by the National Committee on Agricultural Policy. It brought together 68 persons from 38 States to discuss pertinent extension responsibilities in the field of public policy.
2. The objective of the conference was to seek more effective ways and means for improving the understanding of rural people with respect to public affairs. There is a growing recognition that rural people need, are asking for, and should be given more facts, and their interpretation and implication, pertaining to public policies.

3. It was agreed that:*

Work in this field presents special problems. Controversial issues will often be involved. The task is not to suggest the solution of such issues but to present all of the circumstances to be taken into consideration in reaching decisions thereon.

Work in this field should be recognized as a responsibility of the institution as a whole. Effective accomplishment will involve the assignment of definite personnel by the Extension Service.

Presentation of the problems involved should strive for objectivity and avoid indoctrination.

The present and future consequences of programs and problems should be analyzed to set forth the issues in clear meaningful terms.

Personnel needed for the development of policy work at the State level should have

- (a) a broad background of training in the social sciences,
- (b) maturity of judgment and experience in meeting farm people,
- (c) the ability to lead and develop discussion and stimulate self-expression, and
- (d) respect for the judgment of others.

4. It was realized that it is not the task of the extension personnel to try to persuade all farmers to think alike or to tell farmers what to think. Instead it is

*Based on agreements reached at a conference on this subject held in Washington, D.C., in June 1949. See U. S. Department of Agriculture, Extension Service, "Educational Work in Public Policy Problems and Their Relationship to Agriculture," Report of Conference, June 20-24, 1949, Washington, D.C. (Washington, mimeographed, 1949), p. 59-60.

hoped that they may help farmers to learn how to find the essential facts, how to analyze them, how to evaluate them, and how to draw logical conclusions from the facts.

5. An indication of the broad fields of work in which there are public policy problems may be illustrated by restating a list prepared by those in attendance at the recent Washington conference:

- (a) Prices, production, and farm income.
- (b) Health, housing, education, and social security.
- (c) Foreign trade and international relations.
- (d) Marketing and distribution of farm products.
- (e) Development and use of land and water resources.
- (f) Government financing.

6. In order that participants in the conference might think together about ways and means of presenting subject matter, two topics were selected for demonstration purposes, namely, "Agricultural Programs and Price Policies" and "Social Security." Attention was first given to background and to an examination of subject matter from different points of view. This included a brief review of how agricultural policies take shape and a summary of the development of agricultural programs through the years. There was a quick look at the series of issues which have developed since Colonial days, such as better farming methods, marketing problems, land banks, credit, monetary questions, railroad regulations, and tariff programs. The sharp break in farm prices following World War I and during the depression starting late in 1929 increased attention on prices, and resulted in a series of programs which were brought to mind by the mention of the Farm Board, the parity formula, conservation, the AAA, the ever-normal granary, production control, marketing quotas, price supports, marketing agreements, and rationing.

7. The examination of subject matter was continued by a look at the proposed solutions to the agricultural price and income problems as set forth in the Agricultural Acts of 1938, 1948, 1949, and the Brannan Plan. This review brought out the implications of high and low levels of support, stop-loss floors, flexible price supports, production and marketing control, storage, dumping, forward pricing, allotments and control of acreage. These proposed solutions were then appraised from the viewpoint of an economist, a sociologist, a political scientist, and an agricultural economist.

(a) The economist directed attention to four institutional changes that have evolved:

- (1) The quest for security as a national policy.
- (2) Group measures bearing on the market struggle which affects income distribution.
- (3) Dependence upon the Government to supplement low incomes rather than stabilize employment and income.
- (4) Failure of present policies or proposals to advance resource conservation, to develop wise international trade relations, or properly consider effects of programs on real income distribution.

(b) The sociologist stressed the need for keeping in mind the general welfare of all of the people when planning the agricultural policies of this country. He stated that it is imperative that the future agricultural policies "erect some sort of a dike against the danger of another engulfing depression." The present evolution of public opinion about the proposed agricultural policies, especially throughout the urban population and labor unions, is another argument for forging the best possible agricultural policy in terms of the general welfare of the people of the United States, including farmers as an important segment of our population.

(c) The political scientist elaborated on the involved political process by which price policy is formed and administered, mentioning the many influential elements, including Congress, political parties and the electorate, pressure groups, the executive branch, and the courts. As a political consequence of agricultural policies, especially price policies, political power and human values are affected. Conflicts will continue and with them will recur the need to analyze power, interest, values, and their interrelationships.

(d) The agricultural economist stressed the need for optimum use of agricultural resources, indicating that the people, both farm and city, should know the effects of existing or proposed agricultural programs upon the use of resources. "Artificial maintenance of agricultural prices is incompatible with optimum use of agricultural resources the basic difficulty with existing farm price-support legislation is that the price supports are too high." Some of the unsolved problems arising from high price supports revolve around the questions of how to keep production from exceeding market demand at those prices, what to do with the products that the government acquires in supporting prices, what to do with the excess land when acreage allotments are in effect, and how to prevent increased production of substitute products. After pointing out these criticisms of the proposed programs, the following positive proposals were set forth:

" . . . abandon entirely government price supports of individual agricultural products.

"In periods of full employment and high levels of national income, . . . concentrate upon improving the operations of the competitive market.

"In periods of severe and prolonged depression, . . . supplement farm incomes by direct payments to farmers."

8. With this background, attention was turned to a demonstration of the presentation of the two topics chosen for discussion at this conference, namely "Farm price and income policy" and "Old age and survivorship insurance." Leaders of these demonstrations were chosen because of their past successful experience in leading discussions dealing with public affairs. Materials which those leaders had used in rural group discussions were distributed to participants in the conference and the leaders then described some of the various methods they had used in the field and emphasized problems involved in leading group discussions.

9. A subcommittee reported a summary of the information from each of the States about (a) Studies under way to provide factual material for educational work on public policy problems; (b) College courses designated as courses in public policy;

(c) Extension activities in the field of public policy; and (d) An appraisal of experiences in connection with any of the above public policy work.

10. Following this over-all view of State activities, representatives of several States described some of the specific techniques and methodology presently in use to encourage more interest in public affairs in rural areas. Inasmuch as the limited staff of extension workers can personally reach very few rural people, it was pointed out that primarily their time and thought at present is centered upon the training of other leaders who in turn will increase the circle of persons who can best help to meet the desired goal, namely, a better informed rural America.

11. At the close of the conference the question was raised, "Where do we go from here?" Events leading up to and through this conference were again reviewed and participants were asked to express their views as to the next advisable steps. (At a meeting of the National Committee following the conference, it was the concensus of opinion that conferences should be held in the four USDA regions of the United States with programs adapted to the various areas. Acting upon this recommendation, the National Committee was broken down into four regional sub-committees for the purpose of contacting the Extension Directors in their respective regions regarding the type of follow-up program desired in each region.)

OBJECTIVES OF THE CONFERENCE

H. C. M. Case

This conference sponsored by the Farm Foundation requires a little explanation and statement of background of events preliminary to it.

Last June Director M. L. Wilson of the Federal Extension Service invited representatives from 18 states in which considerable work in adult policy education had been conducted and six consultants interested in the general field of policy to come to Washington for a conference to discuss public policy as a phase of the agricultural extension program. In this connection your attention may well be called to the land-grant college association report on postwar agricultural policy prepared in 1944, and the joint committee report on extension programs, policies, and goals, both of which set forth the responsibility of the Extension Service to assume leadership in the public policy field as one of the major fields of activity in its educational program, emphasizing the fact that the primary function of the Extension Service is education. We may well note that this obligation as stated in the Smith-Lever Act is to "the people of the United States. . .not attending or resident in colleges." This quotation from the Smith-Lever Act clearly indicates that extension teaching pertaining to agriculture extends beyond farm people.

It is significant that the report on extension programs, policies, and goals states in effect that extension workers may tend to confuse immediate and short-run aims and accomplishments with the ultimate and more important over-all objectives. I wish to quote directly from the report as follows:

"This danger is accentuated by the close association of extension with other governmentally and privately supported efforts directed to encouraging quite specific actions by those with whom extension works. These circumstances should not be allowed to divert extension workers from their broad objectives of acting as an integrating force--helping rural people through education in solving the many interrelated and continually expanding problems which affect their lives. . . Extension, therefore, should aid people in maintaining those institutions and measures essential to sound community progress--and community betterment. Action requires leadership from among the people themselves. An important function is to discover potential leadership and encourage its development."

To indicate that the Extension Service as a whole has not developed interest in policy matters in the way it should, I quote again from the report:

"On the broader front are such questions as the most appropriate long-time program for agriculture, tax policies and public indebtedness in relation to national welfare, the proper role of this country in helping to maintain international stability and world peace, and many others.

"....these public-policy and human-relationship problems are less tangible and more controversial than most of the problems with which extension has traditionally dealt. But conclusions must and will be reached. Arriving at the best possible solutions is of basic importance to the farm and the home and in the interest of national welfare according to American ideals. Extension has a responsibility to render educational assistance in connection with such problems. This assistance should be rendered on the basis of presenting facts and alternative procedures fairly in the educational spirit of helpfulness. The course of action to be taken should be left with the individuals and groups, who will weigh the facts and possible alternative procedures and make decisions in the light of their own interests and in reference to the interests of their fellows."

These statements help to define the position the extension worker should take with reference to matters of policy.

While no doubt most of you have read the report of the June conference entitled "Educational Work on Public Policy Problems and Their Relationship to Agriculture," I should like to refer to the work of three committees meeting at that time who reported on (1) scope and objectives, (2) educational methods, and (3) source materials. The first committee proposed that this phase of extension activity be recognized as educational work in public policy problems and their relationship to agriculture, implying that the interest is not confined to agricultural policy and problems, but that the effect of a particular issue upon agriculture and welfare should be a primary question. "Problems," according to this committee, "involve situations which appear to a significant number of people to require change. They are 'public' problems when the kind of changes that appear to be required is beyond the achievement of the individual or family and necessitates group action. The course of action upon which agreement is obtained is a 'policy.'" It is further stated that the word 'public' means that governmental action may be involved whether it may be initiated at the local, state, or national level, but is not implied that only governmental means are appropriate or the most efficient way to solve all public problems. Following this definition of the field of interest the desired objectives are set forth to include the development of individuals to have an economic interest in public policy problems, an understanding of the issues and principles involved, the ability to make judgments on public policy issues based on critical examination of the evidence and logical thinking, and finally a desire and ability to participate effectively in the solution of these problems. A set of guiding principles was set up by the committee as follows:

"1. Work in this field presents special problems. Controversial issues will often be involved. Our task is not to suggest the solution of such issues but to present all of the circumstances to be taken into consideration in reaching decisions thereon.

"2. It should be recognized that the discussion of public policy issues involves not only scientific facts and principles but ethical choices as well.

"3. Work in this field should be recognized as a responsibility of the institution as a whole. Effective accomplishment will involve the

assignment of definite personnel by the Extension Service.

- "4. Plans for carrying out this work should be organized in a way to reach all groups affected by public policy programs.
- "5. Presentation of the problems involved should strive for objectivity and avoid indoctrination.
- "6. Problems should be defined to delineate the issues involved.
- "7. The present and future consequences of programs and problems should be analyzed to set forth the issues in clear meaningful terms.
- "8. Special emphasis in this field of work should be given to the selection of significant problems and policies and to the timing of the educational work pertaining to those problems and policies."

As we go into this conference perhaps we should note what the committee said with regard to the type of personnel needed for the development of policy work at the state level. They suggest that the personnel should have "(1) a broad background of training in the social sciences, (2) maturity of judgment and experience in meeting farm people, (3) the ability to lead and develop discussion and stimulate self-expression, and (4) respect for the judgment of others." Some emphasis was given to the need of the college curricula preparing young people for educational work in the field of public policy; furthermore, that in-service training should be made available to personnel now assigned to this type of work. That precisely is the reason for the calling of this meeting made possible through the cooperation of the Farm Foundation.

I shall not at this time discuss the educational methods which may be employed in carrying out an extension program on policy matters as this conference was designed to set forth a demonstration of how work might be conducted and also to provide opportunity for a thorough discussion of methods. Likewise we undoubtedly will touch upon source materials and other matters which were not covered in the June conference.

Following the June conference the Farm Foundation expressed its interest in exploring the basis for helping to achieve a more effective extension program pertaining to matters of policy by naming a committee of four extension directors, four agricultural economists, and four extension men in the field of agricultural economics to meet with selected consultants in Chicago last July to explore possibilities as to the contribution which the Farm Foundation might make. This, I think, has been made clear in the correspondence with you. We are all aware that we are gathered together now as the guests of the Farm Foundation to direct our own exploratory conference in developing the field of agricultural policy as a phase of agricultural extension activity. Just what are the objectives? I believe your committee would say that the objectives and scope of the conference are quite well set forth in the committee report prepared last June.

When the committee of twelve met, there was agreement on a number of significant points. First, that an extension program on adult education on matters of policy is needed.

Second, that policy issues which need to be better understood by the public should be presented on an unbiased, informative basis.

Third, contributions which might be offered by any field of social science should be brought into the first conference, hence the emphasis on sociology and political science as well as the economic aspects of both production and consumption as indicated in the program.

Fourth, that this conference should emphasize methods rather than dwell upon specific issues. I should like to make clear that the committee selected the question of agricultural programs for first consideration at this conference not because it deserved emphasis above other things but that it was a matter of current interest and perhaps afforded a better example than some other subjects to try to get before you an impartial presentation and discussion of facts to illustrate how a controversial issue might best be handled before adult groups. So as we go into this conference let us try to divorce from it any personal convictions we have and to place our major emphasis upon the development of methods of conducting educational work pertaining to policy subjects. While a briefer space of time is given to social security, it is intended likewise that it will set before you the pros and cons of the problem rather than leave with you any impression of indoctrination.

Fifth, that the scope of the policy field is broad, including not only points pertaining to direct agricultural policy, but a wide range of public problems which from their impact upon the economy of the nation are of concern to farm people. I need only to mention such subjects as price and income supports, social security, health facilities, educational opportunity, foreign trade, international relations, and local and national financing, public roads, and facilities, rural-urban relations, and many aspects of local and national legislation to suggest the broad scope of the policy field. It is quite likely that many subjects, especially those pertaining to regulation, will involve agricultural production fields, but the inclusion of our colleagues in production fields in a conference such as this, it was felt, was a matter for future consideration after we go further in harmonizing the views of the several branches of social science.

If there are any further comments which I should like to make on this occasion it is along the line of what I expect personally to gain from this conference. I have tried to ask myself just where one would start in preparing himself to undertake extension work in the field of policy. While I tried to make clear that the committee is opposed to an approach of indoctrination and wants us to stress the unbiased presentation of controversial issues, just what foundation can we tie to? I gained the impression, whether rightly or wrongly, that too much of the so-called policy work some of the states reported on last June pertained merely to an explanation of what was contained in some law or bill without at least pointing out long-term aspects of the problem which should have consideration before we embark upon the proposed program pertaining to that subject. Personally I feel that it has helped me to try to set up some principles which seem to me to be sound in trying to analyze the particular issues contained in any law, program, or proposal. Some of these principles will conflict with each other and the final decision must be reached through weighing the pros and cons against a set of principles in the effort of determining whether the long-run gains exceed the costs. I am hoping that in this way I may carry away with me a better-conceived set of principles which may be used in analyzing any

problem which may arise.

These are some of the things which I want for the good of agriculture and of our nation:

1. I want a firm financial foundation for our country. Among other things this means that we need to answer to our satisfaction whether or not the rewards from proposed action will justify the expected expenditures. We will need to decide at a given time whether deficit spending on the part of the federal government is justified or whether we should be creating a surplus for less favorable days.
2. I want a sound national plan for our entire economy. It should, among other things emphasize national well being, opportunity for young people to find productive employment, the maintenance of an effective consumer demand, and the continued development of individual initiative which has made not only agriculture but our entire industrial organization the most effective of that of any country. To develop initiative it seems desirable to retain for the farmer as much choice in what products he will produce as possible and permit supply and demand to guide production, believing that the relative price of farm products resulting from the interaction of supply and demand in the market will stimulate individual effort and make better use of our resources than to rely upon artificial controls. It is recognized that artificial controls are likely to freeze production along uneconomic lines if kept continually in effect.
3. I want a floor under farm prices which will protect agriculture from price disaster such as occurred in the early thirties which brought disaster to people in all walks of life. Such a floor is needed to encourage the abundant production of food and fiber products which are needed to provide better living standards and nutrition of our people. In this connection it should be recognized that it would be possible to set up agricultural programs which would in effect provide for monopoly control to support a price which if set too high would have the effect of reducing consumption.
4. I want farm people to receive a fair share of the national income so that they will remain effective purchasers of goods and services, thus securing for themselves advantages in the form of education, health services, and protection in old age comparable to advantages for those engaged in other employments.
5. I want a farm program that will encourage efficient and economic production. This statement emphasizes that limitation of production and marketing can be imposed on a basis that discourages efficient production in terms of low cost per unit of product. Land kept out of use can be just as effective in reducing total income as low prices. Because of variations in production from year to year over which farmers do not have control we need to have alternative means of utilizing farm production in the event that our attempts to produce abundantly lead to overproduction in certain lines. We need to

develop further plans for the utilization of farm products when overproduction occurs in particular lines.

6. I want to see our natural resources safeguarded, which raises the question of the extent to which they are being exploited under present agricultural practices, and ways in which we can economically develop and use our total resources and still provide for their future protection. This point may well include adjusting the organization of inefficient farms so that they will become economic units. We cannot as a long-time policy afford to subsidize inefficiency in agriculture any better than we can in other lines of economic endeavor. This may require some long-time projects which will not perpetuate inefficiency in areas of low agricultural income but rather seek to establish economic conditions in such areas or in other areas which will provide economic employment for both our human and physical resources.
7. I want us to keep alert to international as well as domestic needs and use foreign markets as well as domestic markets in helping to maintain a balanced economy for the country and to establish trade arrangements which will be mutually beneficial between countries. This in the interest of world peace as well as in the interest of economic well being of our own country.
8. I want that long-time plans for agriculture not depend in any large measure upon the uncertainty of Congressional appropriations. Any legislative action that involves the annual use of funds is no stronger than the willingness of Congress to appropriate funds annually to support the law. Depressed conditions in any year could easily cut off the financial support which at the time seemed more urgently needed for other purposes. Resort to the use of public funds to support prices should be retained for emergency situations. This may help to keep agriculture out of politics in the sense that while national laws must be determined by Congress, we should be sure that they reflect the best interests of the people rather than go too far in meeting the apparent wants of people who have not thought through the consequences of certain lines of action.
9. Finally, I want no special privilege, gratuity, or guarantee for agriculture which cannot be supported in principle for any other economic group.

HOW FARM PROGRAMS ARE MADE

T. K. Cowden

A year ago it would have been possible to give a logical explanation of how farm programs were made. Today, frankly, I do not know how they are made. In the past, farmers through their organizations exerted pressure on a more or less

reluctant Congress to do something. It appears that we may now be developing a "new approach" where the executive branch of government out-promises either of the regular party platforms or demands of farm groups. Of course, it is nothing new for individual members of Congress to outdo the demand of farm groups. But it is new for the executive branch.

This is called to your attention as a warning that what follows may now be outdated. The high level of support proposed in the Brannan Plan resulted in a higher level of support in the Agricultural Act of 1949 than would have otherwise been the case.

Part of my responsibility on today's program, as I understand it, is to relate some of my experiences gained while working for a farm organization. When I joined the staff of the American Farm Bureau Federation in 1943, I had an agreement wherein I did not support, endorse or attempt to sell the policies of the organization. In return, I did not make public appearances. The Farm Bureau lived up to this agreement. They are a good outfit to work for.

I have a very high regard for the people associated with Farm Bureau. As far as such characteristics as morals, ethics, sincerity, and honesty are concerned, I would place them right along with my college acquaintances. The Board of Directors of the American Farm Bureau consists mainly of successful farmers who are making financial sacrifices to serve in that capacity. Time after time farmers in California, Colorado, and all over the country have been called from their fields by requests to attend meetings. They have left their homes and flown all night to get there. If I were a successful farmer I would have been tempted to stay home.

The same high regard applies to leaders of the Grange and the Cooperative Council. I leave out the Farmers' Union because I have not had personal contacts with their Board of Directors.

This brings out the first major point I want to make. If the economists are to work effectively in the field of public policy, they will have to get off their high horse and face the facts of life. When something happens with which they don't agree, it is very easy to blame the pressure group, the insincere, grasping, ambitious, self-asserting farm leader. Now there are a lot of things happening that we cannot agree with, but I am telling you that the vast majority of men in farm organizations are sincere. The fact that farm policy is made by sincere people is a big boost for the potentialities of education.

Now let us discuss some of the broad aspects of policy. Policy may be divided into two segments, short run and long run. Some economists think the long run is the important one. This is true, but the short run has a habit of becoming the long run. My experience with farm organizations leads me to believe that long-term policy is quite often developed by meeting a series of emergencies with short-term expediencies. This tends to build up a long-term policy. Once a policy is set, it is very hard to change. One of the big challenges in the policy field is to change this procedure of developing farm policy by meeting a series of emergencies toward definite formulation of a long-term policy.

I have a deep conviction that policy should be formulated by broad organizations

rather than by commodity groups. The broader we can get the approach to policy development, the better off we will be. We might have better policies if the farmers developed a program for the bankers, and business men developed a program for the farmers.

Now let us consider the place of education in public policy. My respect for the importance of education has been greatly increased through my experience with farm organizations. Leaders cannot get too far ahead of the people. We must make it possible for the politician to be a statesman.

Education is basic to good policy. Not so long ago, in a discussion of farm programs, a fellow economist made the statement that farmers and economists have little or nothing to do with formulating farm programs anyway. Farmers, he said, don't even know how to figure parity. I will agree that economists may have very little to do with making farm programs. However, it is a different story with farmers. Maybe they do not know how to figure parity, but they have the concept that parity is fair. That concept is very deep-seated in American agriculture. The fact that they think it is fair has a very fundamental influence on what comes out in the field of policy. Likewise, there are many farmers who feel that a production control program is the way to deal with the farm problem. Even without knowing the details, or the implications, the concepts held by the rank and file of the people are important in what is developed in the way of farm policy. Public policy is made of what people think, especially in the long run. There is a flow from the bottom to the top, and from top to bottom. In this process, education can be very effective.

Education plays a role in the development of farm policy in many different ways. It is interesting to sit with a national group and trace ideas expressed by the members. If you know the economists scattered over the country, it is often easy to say, "Why that fellow got this idea from so and so in New York," or "That comes from John Brown in California." You can trace ideas.

Education has influence. My experience has revealed a considerable difference in the thinking of the Iowa and the Illinois farmer in regard to public policy. This may have been influenced by several things. Iowa instigated an extension program in public policy several years ago. The annual Farm Institute on public policies in Des Moines cannot help but have an impact on the thinking of farmers in the state. Also, the Des Moines Tribune and Register is a widely read paper with a constructive approach to public policy questions. On the other hand, the influence of the Chicago Tribune and its policies shows up in the thinking of the Illinois farmer.

Education in economics affects public policy in another way. Usually the new and younger farm leaders have a better understanding of the broad problems facing the nation than their predecessors had. We in education must keep in mind that a high percentage of the members of our present agricultural policy making boards have college educations, and many of them are graduates of land-grant colleges. Even though we may not like what they come out with, we cannot escape some of the responsibility. We at least had the opportunity to present economics to them when they were on our campuses.

Now let us discuss the Farm Bureau as an example of how policy is made within a farm organization. It starts with the county or community organization. These

organizations prepare and adopt resolutions. These are in turn submitted to state resolutions committees which consider them and adopt state policies. State resolutions are then sent in to the national organization. Here they are summarized and used by the National Resolutions Committee.

Next to the delegate body the National Resolutions Committee is the top policy-making group of the organization. Once policies are adopted they are followed. They are the "Bible" to guide the operations for the ensuing year. The resolutions committee consists of 25 to 30 people from all over the United States. Ordinarily they are the duly elected presidents of the respective state Farm Bureaus, and are appointed by the national president of the organization. In appointing this committee, consideration is given to geographic distribution. Consideration is also given to having representation from states with small Farm Bureau organizations as well as from states with large Farm Bureaus. It is important, in order to maintain good working relations in the organization, that strong representation is given on the resolutions committee to the minority point of view. If some sections of the country, or groups, have different opinions from most of the members, care is taken to give them a voice, and opportunities to present their points in the resolutions committee.

The resolutions committee meets for about a week ahead of and during the national convention. The first day is devoted to giving each person a chance to present questions or points he thinks should be considered. Then the committee is broken down into sub committees on various topics, which draw up drafts of the policy resolutions in the respective fields. These drafts are brought back to the entire committee where they are debated, argued, changed, and finally adopted by the entire committee.

Most of the final resolutions are adopted with very few dissenting votes. This brings out an important point. Farm policies are compromises. That is a function of organization -- to bring together the varying and conflicting interests within agriculture, compromise the differences and arrive at unity for one program. The fact that farm policies are compromises gives a strong vocal minority an opportunity to gain much more than could be gained by a straight voting procedure. Some may wonder why such procedure is necessary, and why organizations can't operate on a straight vote. Once in a great while that can be done, but in the main the organization, if it is to continue, has to find some common ground upon which the vast majority is at least reasonably well satisfied. Some organizations do take a position only when there is complete agreement.

After the resolutions committee has approved a resolution, it is submitted to the voting delegates at an annual meeting. The number of voting delegates is based upon a set number from each state, plus additional delegates according to membership. Usually there is not much reformulation of policy on the floor of the convention. However, at times quite a few changes have been made. The fact that resolutions have to be approved by the delegates offers an opportunity for changes, and a safety valve which permits democratic procedure. Once policies are adopted by the voting delegates, they serve as a guide to the board of directors and organization officials. The board of directors acts according to the policies established by the resolutions. Keep in mind that they must act within those adopted policies for if they acted otherwise and were challenged by some member there would be trouble.

Policies of wide scope are covered in the various resolutions. For example, resolutions may be made on the control of atomic energy, United Nations action, or on the basing point. This past year there were over 70 different questions on which the organization took a position. It is a big responsibility, and a difficult task to keep well enough informed to act intelligently on the broad policies covered by such a national organization.

Joint meetings have been held from time to time by the farm organizations, to discuss mutual problems. These joint meetings have met with varying degrees of success.

We hear a lot of talk about what or who constitutes the most influential pressure group or policy-making medium in the field of agriculture. In my opinion the most important group is the United States Department of Agriculture which has resources at its command. This is not an off-the-cuff statement. I have given a lot of thought to which group is the most influential. In spite of all their talk, congressmen still pay a lot of attention to those who have to administer the program. They may get up on the floor of Congress and be-rate the bureaucrat, but at the same time they seek his advice in legislation and how to make a program effective.

Let us consider, briefly, farm policy and Congress. First we must consider the organization of Congress -- the House of Representatives and the Senate. The fact that a bill passes one branch does not mean it is a law. It has to pass through both and be approved before it becomes law. Quite often people get very excited when a bill passes one of the houses, without stopping to realize that it is probably headed for the graveyard in the other.

Both the House and the Senate have agricultural committees. We should keep in mind that the agricultural committees, or the committees handling agricultural affairs in their respective branches, are not always the most important committees in agricultural matters. For example, the appropriations committee may be extremely important.

Each of the congressional committees has its key personnel. This personnel shifts from time to time, and may not be the same on all legislation. The key man is not necessarily the chairman of the committee.

Action of Congress must be based on following leadership; there is no other way. For example, in the last Congress something over 10,000 bills were introduced. It is physically impossible for a member of Congress to be thoroughly informed on each bill.

These committees hold hearings at which testimonies are presented. A lot of efforts and words go into the testimonies. It appears that many times testimonies are written not only for the committee, but also for the newspapers and for the membership of the testifying organizations.

Testimonies before congressional committees are sometimes used in attempts to establish legislative intent. The courts have used not only the wording of the law in interpreting or rendering decisions, but they have gone back into the history of legislation. They study the debates in Congress, the testimonies and other action in

order to establish the legislative intent of a particular paragraph or sentence under consideration. That is what the intent was when the legislation was being written. Sometimes legislative intent becomes very important in interpreting the law.

In this connection, it should be emphasized that laws are not established merely by the passing of legislation. The U. S. courts play a very important role in interpreting them. Quite often it takes many years before we know what really is in a law. It takes court decisions, appeals, and Supreme Court decisions, all of which consume a lot of time before it is really known just how a particular law applies.

After the House and the Senate have each passed legislation on a given subject, it is often sent to a joint committee where the Senate and the House compromise their differences. Here important changes are often made, especially if it is close to the adjournment date. Frequently, the real work on legislation is not done in public on the floor of Congress or in the committee. It is done in some congressman's or senator's office. We have expanded our government many times without making any significant changes in the organization or the tools with which congressmen have to work. We criticize them sharply. But actually many of them, especially the more conscientious ones, have an almost impossible job. There is a tremendous need for the strengthening of the Congress of the United States.

Next I want to discuss a couple of my experiences in policy making -- one with parity, the other with a long-term tax program.

The parity concept is very deep-seated in agriculture. It is surprising how broadly it is accepted in some groups, even groups outside of agriculture. My experience with attempting to change or revise the parity formula started in 1944. Many different approaches to parity were presented and debated by the Farm Bureau. Some real "fights" and heated discussions occurred. It is unnecessary to go into all the details at this time, but in all, I was in about 50 different conferences of policy makers in which the major question was the change in parity. This is brought out to emphasize that things are not easy to change. It is easy for the economist or the college professor to come up with some new idea or some change, and then get very perturbed if it is not adopted immediately. But it's not that easy in the actual field of operation.

Now here is an example of how policy should be developed, a specific illustration of development of a tax policy. In the fall of 1944, the Farm Bureau board of directors created a special tax committee. Each state was requested to send a tax expert to a three-day meeting. In addition, there were a number of technical tax men from colleges and the government. This group, with the benefit of previous work done in the field, developed a tax policy. With minor changes, it served as a basis for a tax resolution that year. The next year another tax committee made up of Farm Bureau people and technical experts met to continue the work. This tax policy was not developed to meet a current emergency. It was a long-term policy. The program enabled the organization to take rather unpopular stands in a short-term policy in order to gain a better long-term program.

Here I would like to stress the importance of carrying the people along with you in the development of agricultural policy, especially the people who have the responsibility for policy. The easy thing for the economist to do is to come out

with a plan. It is then his plan, and his job to sell it and defend it. Quite often he doesn't do so well. If he is willing to work along with other people, carry them along so they know what is taking place and feel that it is their policy, it may go far. When it comes out, the people are ready to defend it and support it, and it is not just another policy, program, or crack-pot idea proposed by some economist.

The final point of my discussion will be concerned with policy formation and the educational procedure. To begin with, if we are going to do educational work we have to get out in the country and start where the people are. Some of us will have to lose our skepticism in which we are always doubting the sincerity of other groups. Give farmers the benefit of the doubt. They are sincere. The mere fact that somebody disagrees with you does not mean he is wrong or insincere. Actually, he might be right.

In this field of public policy in agriculture, we should keep in mind that sometimes we may get more results with non-farm policy than with farm price support programs. Problems like international responsibilities of the United States world trade, or tax legislation, may have more effect upon the welfare of the farmer than direct price support programs. Of course, when dealing with the field of public policy, we cannot always talk about things far removed from the farm. We must mix in problems of schools, roads, irrigation, and other more tangible problems for which the farmer can more readily see some results.

Another issue that has bothered me, especially since returning to academic life is the manner in which college people and people in general look down and with disfavor upon politics. Politics must be recognized as the essence of democracy. We all get very disgusted with politics, and at times justifiably so. Yet I would hate to live in a country where there is not any politics.

The bureaucrat dislikes Congress and pressure groups, because they interfere with what he wants to do. We should keep in mind that in the administrative branch of the government we have only two elected employees out of about two million government employees. I have a deep conviction that we need to increase appreciation of the fact that Congress is the representative of the people. If we are to make democracy operate, we cannot continue to smear the politician. We must appreciate that he is a representative of the people. We cannot turn our government over to bureaus, no matter how well meaning they are. We must have means by which the people, through Congress, can express their desires. Some may say that this is done by the election of a president. But there are so many conflicting issues that it is impossible to make democracy work effectively by taking a one-package vote once in four years and then turning things over to the president. We must have a strong Congress which can represent the people, and keep it working effectively. We must make it possible for a politician to be a statesman. There is a big challenge for education in the field of policy, whether it be agricultural policy or any other public problem.

The present farm program, in my judgment, will not endure. It cannot stand the test of time. It is my guess that we will have to be ready with something new in a few years. It is very important, therefore, that we begin now to encourage discussions of new approaches to the farm program.

Public policy in the field of agriculture is particularly challenging at this time. We live in one of the few places in the world where what the individual thinks is really important. The politician will change with public sentiment. If he does not, he will be changed anyway. The United States is the most potent force in the world today for world peace, and the American farmer in this democracy holds the balance of power. At least some politicians feel that they hold the balance of power, even though this is often questioned by students. If the politician thinks he holds the balance of power, however, it still places him in a very strategic position.

Our responsibilities in the field of agricultural education are not limited to a few million people. We hold a powerful force for shaping the destiny of the world. It would make a lot of difference in future world history if the midwest farmers should become isolationists. Agricultural extension educators have never faced a greater challenge.

← AGRICULTURAL PRICE AND INCOME SUPPORT PROBLEMS →

O. C. Stine

Dr. Cowden gave an excellent description of activities in the background of developing legislation. I have been around on many such occasions. Members of Congress and representatives of farm organizations come to us and say, "We want the facts." I associate policy with politics and generally avoid talking policy but talk facts.

What I propose to do on this occasion is to discuss some of the major aspects of farm price and income support proposals and legislation. We are sometimes asked why there should be any price or income supports. I shall pass over any discussion of the issue as to whether we should have supports. The legislative acts beginning with those of 1933 include statements of the case for supports. It is not only in the interest of farmers, but also in the national interest to protect and maintain agricultural resources and the welfare of the farm family.

Accepting a support policy, what are the primary considerations that enter into the choice of levels of support? The issues of the high-level versus the low-level supports are much more important than generally recognized. Low level proponents argue that supports ought not to be too high--that they should be only at stop-loss levels. The reasoning is that the dependence upon the Federal Treasury should be minimized and private initiative should be encouraged to the utmost. They cite the problems that arise in connection with foreign relations from the high-level supports, including loss of markets, import restrictions, and objections to selling at lower prices in foreign markets. Low-level supports minimize such international problems. They object to the expanding activities of the Commodity Credit Corporation in the marketing of agricultural products. The holding of large volumes of agricultural products is in itself a disturbing factor in the free markets and tends to encourage the Government to expand its marketing functions. High-level supports mean extensive and continuous control. Low-level supports mean merely protection only in real emergencies, leaving a maximum of private enterprise in production and in marketing.

Another point considered is the effect of Government controls on efficiency in production and marketing. To the extent to which the farmer can get his price without regard for the consumers' preferences, the demand for the product may cease to be a major incentive. The direction of the use of resources in relation to quality, quantity, and commodity by consumer demand is lost. The fact that supports are based on historical data results in lags in adjustments and high-level supports tend to retard adjustments more than the low-level supports.

The high level proponents reply that the price mechanism is a very inefficient tool to encourage readjustments in production and in the use of resources. Agricultural production is not effectively guided by price. As prices decline, farmers produce more in order to maintain income. "Facts" are cited for and against.

High level proponents also cite the usual position of labor leaders and business men with reference to reductions. Why should the farmer take a reduction in prices of farm products? Did you ever hear of a labor union offering to reduce wages? Are public service corporations offering to reduce rates or business organizations voluntarily reducing prices at the expense of profits? There is a parallel in thinking between those who argue that wages must be maintained or even increased in a depression so that the workers can buy the products of industry, and those who consider that agriculture being a basic industry the prices of the products must be supported at a high level to prevent depressions.

Another point of attack on the low-level support is to ask, Where is stop-loss? Where should the bottom be fixed? If you are to have a price support level that will prevent farmers from going broke, which farmers are to be protected? Farmers should have parity. That is a just price. At any rate, the Government should not offer to support the basic commodities at less than parity.

It is of interest to note the successive steps in raising the minimum level. The Act of 1938 placed it at 52 percent of parity. Sixty percent was put into the Act of 1948, and the Act of 1949 raised it to 75 percent. The significance of having a top support level of 90 percent should also be noted. The Act of 1938 placed it at 72. The war levels for basic commodities went up to 90 and 95 percent. Steagall commodities were at not less than 90 percent during the war period. The Act of 1948 had a maximum level of 90 percent support which could be raised in the interest of national security, whereas the Act of 1949 provides that the level may be raised above 90 percent in the national interest. The obvious principle involved in the Acts of 1948 and 1949 is that the Government should not undertake to support up to the parity level unless there is some very good reason for encouraging larger production of the commodity.

Flexibility has received much attention in the last two or three years and much of the criticism of the Act of 1948 was directed toward the flexible provisions of that Act. However, the principle of flexibility has been retained in the Act of 1949. Some of the criticism of the 1948 schedule was met by modifying that schedule, lifting the bottom from 60 to 75 percent, and applying the top of 90 percent with a supply percentage for most basic crops of 102, formerly 70. This greatly reduces the range of flexibility. A further concession was made for peanuts and cotton by modifying the top part of the schedule so that a 90 percent support may be extended to a supply percentage of 108. For commodities with a relatively inelastic demand, these schedules are more favorable than the market demand schedules to the producer. They will

tend to encourage the accumulation of supplies by the Government. However, the Acts of 1948 and 1949 provide minimum schedules and all points below the top levels down to the minimum may be used at the discretion of the Secretary.¹

The objective of introducing the schedule was to provide for stabilizing income rather than stabilizing prices. It is recognized that parity prices for relatively small marketings do not bring parity incomes. Associated with this is the idea that the farmer may economically take lower prices for larger marketings along with higher prices for small marketings. It is fair and reasonable generally, both from the standpoint of the producer and the consumer.

Perhaps the most significant feature of the Acts of 1948 and 1949 was in modernizing parity. We had in effect a large number of parity bases for the several agricultural products. This had developed from specific legislation first establishing the 1910-14 base and then introducing from time to time other bases for specified products. Using the moving average for the last ten years washes out the multiplicity of bases. More important is the fact that this process tends to adjust the basic relations in the direction of recognizing changes in the supply and demand conditions of the several farm products. This is a significant shift in recognizing that changing economic conditions require changes in the price relations among the several farm products. The immediate effect is to indicate reductions in parity for some of the important products such as wheat, cotton, potatoes, and corn, and higher levels for many of the livestock products.²

The introduction of farm labor in the Act of 1949 is a significant point. This brings into the parity index a representation of an important item of expenditure in farm operations. In the war period there was much support for including wages, weighted to represent all labor, including that of the farm family. That was to raise the levels in the OPA days. It was recognized by some that including labor might pull down the support level when wages fell and, recently, there has been some loss of interest in putting farm labor into the index. Since farm wage rates are now at a relatively high level, their inclusion raises the index by about 6 percent, but since farm wage rates are very sensitive to economic conditions, increasing unemployment and a general business recession are likely to result in reduced farm wage rates and lower parity levels. However, including wages weighted for hired labor improves the representativeness of the index as a reflector of changes in the operators' cost of production and living on the farm.

The legislative provisions for modernizing parity also present an opportunity for reconstructing the index of prices farmers pay for commodities. This index needed modernizing both as to weights and as to items priced. Service charges, including electric power and light rates, are being added. Obsolete items are being dropped, and important new items are being picked up. For the years beginning with 1935, the several factors in the index are being weighted by average importance in expenditures in the years 1937-41.

The Act of 1949 also introduces forward pricing "in so far as practicable." The

¹ The schedule of support loans introduced in 1938 for corn was a fixed schedule.

² Note the transitional provisions in: (1) Act of 1948 (Sec. 201(E)), adjustment from old to new when lower by 5 percent per year; and (2) Act of 1949 (Sec. 408(G)), extends use of old parity for basic commodities through four years beginning January 1, 1950.

minimum schedule in the Act of 1948 provided a range within which forward pricing could have been instituted in terms of conditioned price support. The Act of 1949 authorizes the fixing of a level in terms of specific prices within the range of the schedule. Since such a price can be raised but not lowered subsequently in the season to which it applies, this may operate as a lagging factor in periods of rapidly declining prices. In a period of rising prices, the administrator may be conservative but will have an opportunity to adjust.

Perhaps I should speak of the methods of support. There is a significant difference in the Acts of 1948 and 1949 on this point. In the Act of 1948 there is language which recognizes the use of payments as a means of support. Price supports could be through loans, purchases, and payments. In the Act of 1949, payments are out. You will find that at two points, loans, purchases, and "other means" may be used, but in the case of dairy products the "other means" is left out. The history of the legislation makes it clear that it was definitely intended by the Congress to eliminate the possibility of using payments as a means of support.

Let me come back to the question of controls that are to be associated with supports. Controls were included in all proposals offered and considered. The Acts of 1948 and 1949 authorize the making of compliance with "acreage allotments, production goals and marketing practices" conditions of support. Proposals to use payments included similar production and marketing compliance conditions. However, in listening to discussions in Congressional Committees and administrative interpretations of Acts, it seems clear to me that complete regimentation of the farmer is not intended.

HISTORY AND DEVELOPMENT OF AGRICULTURAL PROGRAMS *

O. B. Jesness

Before World War I, agricultural programs were concerned primarily with education, research and extension relating to the development of better farming methods. From 1910 on, marketing problems shared an increasing amount of attention. There were, of course, many other related programs. The shortage of capital during colonial days created a great deal of interest in the establishment of land banks designed to use land as a basis for the issue of money. As in more recent times, there was considerable confusion over money and capital. Monetary questions occupied an important place in farm interest after the war between the states. Some of this interest showed itself in various political movements such as the Populist Party. Later on the farmers' concern over access to credit at attractive rates was a factor in the establishment of Federal Land Banks. The influence of farmers occupied an important place in the development of railroad regulation and various other measures. Agriculture also played a part of some prominence in connection with tariff programs.

The sharp break in farm prices in 1920 from the peaks of World War I focused an increasing amount of attention on prices and programs to maintain prices at or above certain levels. The agitation during this period was largely aimed at providing

help thru market operations. The McNary-Haugen proposal, the export debenture plan, the allotment plan and the activities of the Federal Farm Board in stabilization were concerned with removing surpluses from the markets rather than production adjustment or control.

The sharp break in prices associated with the world-wide depression starting late in 1929 increased the attention to prices. The Federal Farm Board attempted an impossible task of stemming the break in prices with the tools at its disposal. The experiences of the Farm Board, however, paved the way for the agricultural adjustment legislation of 1933. The basic objective of this program was that of improving upon the income of farmers thru the raising of prices on farm products and the parity formula was adopted as the benchmark in price restoration. This program shifted emphasis from operating on the market alone to the idea of bringing about adjustments in production which would permit higher prices to rule in the market place. The decision of the Supreme Court in 1936 forced a shift to a somewhat different type of approach and led to a considerable use of the idea of conservation both as a means of bringing about adjustments in the output of some farm products and as the basis for adding to farmers' incomes thru the payments for the employment of certain practices.

Without any intent of heaping criticism upon the program of the 1930's, it seems appropriate to remark that the effects on prices and on supplies may be exaggerated in the minds of many. The AAA started at the bottom of a depression and probably received credit for some price improvement which occurred as conditions improved. There is apparent a tendency to exaggerate the effectiveness of control measures adopted. The ever-normal granary which was popularized during this period as the means of regularizing supplies was rapidly reaching the point of overflowing by the late 1930's. Had not World War II with its unusual demands entered the picture, some drastic changes would have had to be made in the program of that period either by reducing price supports or adding materially to the effectiveness of production controls.

World War II shifted emphasis from price-depressing surpluses to ration-producing shortages and there was concern over establishing price ceilings to check inflation rather than over price supports. However, Congress continued support at 90 percent of parity for basic commodities and a group of other commodities for which production was important for the war effort mainly as assurance to farmers that they could engage in full production without fear that the bottom would drop out of the market if the war should suddenly end. These supports were extended for two years beyond the war ostensibly to give farmers a period in which to readjust output to a smaller peace-time market.

When war ended, this breathing spell provided an opportunity for debate over the features of a long-range program. There were two main lines of thought. One group wanted high price supports assured for the indefinite future. The other believed more strongly in the idea of flexible price supports which would serve as floors under prices which would become effective only in the event of major depression. After extensive debate, the Agricultural Act of 1948 was passed in the closing days of the 80th Congress. Title I of this act continued price supports on a number of commodities thru 1949. Title II which was intended to become effective in January 1950 provided for flexible support ranging from 60 to 90 percent depending upon the supply situation. This act did not end debate. Secretary Brannan was

pressed to make a choice between high price supports and flexible supports but elected instead to come out with his own proposal. This suggested a price support standard based on a ten-year moving average to replace the parity formula. It recommended supporting prices of storable commodities on the basis of this standard and that the market be permitted to arrive at prices for nonstorables with production payments to farmers to make up the difference between support standards and the average prices to farmers.

Various bills were introduced in the last session of Congress. The cleavage between proponents of high price supports and of flexible supports continued to be very apparent. A bill covering the major features of Mr. Brannan's proposal failed to get the necessary support. The House of Representatives showed a preference for continued high price supports while in the Senate flexible supports had more of a following. The Agricultural Act of 1949 in consequence again was a compromise. It continued 90 percent supports on basic commodities for another year and made a modest reduction in those supports permissive rather than mandatory after 1950. A support range was stipulated for a few other commodities and then discretion was left to the Secretary of Agriculture in regard to the question of supporting other products. It should be noted, however, that a limiting factor of major importance in making these decisions will be the amount of funds which Congress may provide for support operations.

While my assignment presumably was intended to be primarily a review of programs, a few general observations on some of the questions involved may not be out of place. A point which is supplied by a review of past programs is that a new program does not suddenly burst into full bloom from nowhere. It is only natural that each program draws ideas from programs or proposals of the past. It is for that reason that one may be justified in referring to the development of farm programs as having some evolutionary features. This should not be interpreted to mean that the evolution is always in the direction of improvement. Unfortunately we do not always learn from mistakes of the past.

The debate which has been going on and which continues unfortunately does not deal very generally with fundamentals which ought to be evaluated with considerable care if we are to evolve a program which will serve the best interest of agriculture and general welfare.

For one thing, talk of agricultural programs usually has a good deal to say with respect to the low income of farm people as compared with incomes of other groups. What is not adequately appreciated is that when we arrive at an average farm income by including all farms in the United States we actually are dividing that income among a considerably larger number of units than actually share in it. Better than a fifth of our 5,800,000 farms are not producing actively for market. A considerable number of others produce only limited amounts for sale. The major share of the supplies on the market comes from a minority of the farms. The operators of these farms are the ones who have the greatest interest in prices and price supporting measures. The worst cases of poverty in rural areas are not reached thru price support programs. This fact needs to be understood much more generally than it is today if we are to meet our current problems adequately.

The current debate reveals a strong preference for support prices over income

payments on the part of farmers. The common statement is that farmers want to earn their income by getting a price in the market place rather than to be the recipient of a government handout. What seems to be overlooked is that a price supported at government expense involves subsidy fully as much as a similar amount used to make direct payments to farmers.

There are some indications that many farm people think that fairly extensive guarantees have been provided other groups in the matter of income protection. Minimum wage rates, unemployment insurance and other provisions have been suggested as illustrations. It should be noted that minimum rates of pay do not assure that jobs will be available at those rates. They merely assure persons who obtain jobs in the protected occupations that they will receive at least those minimum rates. Unemployment insurance has more in common with price floors which will become effective only in times of serious depression than with high price supports which may keep prices above market levels all or much of the time. If farmers overemphasize the gains which they believe are provided for other groups, it encourages them to ask for more assistance for themselves.

One of the very unfortunate aspects of high price supports is the failure to appreciate that such programs come into direct conflict with our international policy. Artificially high prices here at home inevitably become nationalistic in nature. They must be protected from competition from outside. The assumption that surpluses can be dumped abroad at lower prices than those maintained at home is not nearly as valid as generally supposed. Any extensive operation of this sort is certain to be viewed as unfair competition by other countries and lead to retaliation. Moreover, these operations become nationalistic in nature in that we must keep the products from returning to our markets and keep products made from entering into our markets to compete with higher cost goods here at home. It is highly important that the public generally understand this conflict because we have such a great stake in development of effective international cooperation for the maintenance of peace. Active world trade is one of the essential features of such cooperation. It would be extremely unfortunate if a domestic program should lead to failure in our international objectives.

One thing is very clear, namely, that there is a great need for more thinking and discussion of the host of problems which farm programs involve. Extension has a great opportunity and a challenge in developing and stimulating discussion leading to better understanding. In short, Extension has a wonderful opportunity to improve upon the history of agricultural programs as it is being developed and written.

SYMPOSIUM ON AN APPRAISAL OF THE PROPOSED SOLUTIONS TO THE
AGRICULTURAL PRICE AND INCOME PROBLEMS FROM THE VIEWPOINT OF:

A Consumer Economist - Richard B. Heflebower
A Sociologist - Edmund de S. Brunner
A Political Scientist - Charles M. Hardin
A Production Economist - H. R. Wellman

RICHARD B. HEFLEBOWER: Being billed as a "Consumer Economist" might bring to your minds the unfortunate role of the consumer counsel in the Department of Agriculture. The role of the consumer's consultant there has been analogous to that of John the Baptist - a voice crying in the wilderness. I would prefer to speak as a general economist, whose task is to compare agricultural policy with policy for other sectors of the economy.

That does not mean that I shall start with the assumption of the completely self-governing economy which we thought we had in an earlier era. We have to recognize that economics has to deal with a changing set of social institutions. Our job is to judge, as best we can, what the institutions are, to appraise them, and explain how economic affairs operate under them.

For that reason I want to point to the basic institutional changes which have evolved. By institution I do not mean just a law. I mean a point of view, an attitude which we sense in the mass of people and which is reflected in public policy.

The first major institutional change has been the development of what I call the "doctrine of limits." We no longer are willing to give the market full and free play. Except during war (or unless we adopt some of the current inflationary proposals for increasing the national income) we do not think in terms of maxima but in terms of minima, such as the minimum wage law. Indeed we seem to have an idea about minimum incomes in terms of goods and services. It is hard for some to be happy with this development. But I suggest that there may be some things which a country can afford to do when its per capita income is what we have now, which would have been unthinkable earlier. We do not want to see people have too low an income or suffer insecurity. So we have come to the idea of a minimum of income and of personal economic security.

The second of these institutional changes is our tendency to rely on group activity to bring about changes in the markets and in other aspects of human relationships. While we think of John L. Lewis as a labor leader, he is also giving us all a lesson in minimum price control. He is succeeding far better than did the Bituminous Coal Board in keeping coal supplies at a level where the demand will result in a good price. This is but an example of the increasing tendency for both struggles in the market and in the political area to be among organized groups.

Third, we have come to rely largely on the government for two important economic results. The first is to achieve security for the economy as a whole. When the government is spending its present share of the national income, it is useless to assume that it can be unconcerned with the effect of its expenditures on the national income. Second, the government now takes an active part in influencing income distribution through its tax structure and through direct cash payment or the provision of

services to various groups.

The fourth and final major institutional development is that for the first time in our modern history we are concerned about national diplomatic and military security. This has connotations far greater, I suspect, than we yet realize.

Taking those four institutional developments as background, what can be said about their relation to various parts of agricultural policy?

Turning first to the doctrine of limits, it seems to me that there is very little in what we are currently talking about in agricultural policy which represents an application of the doctrine of limits. Support levels are all too high. Beyond that we are not paying any particular attention to sources of insecurity in agriculture other than low prices. In other words, we do not have a program designed to assure a minimum income for agricultural people. We have a good one for urban workers but not for farmers.

The next question is whether our present agricultural program is an attempt to give to the farmers a position in the market equivalent to that of organized labor and the large business enterprise which is a combination of capital. Clearly a cooperative which is engaged in getting the full market price for an existing stock is analogous to a union which attempts to offset the ignorance and weak bargaining position of the individual worker. The union seems, however, to have been more successful in restricting supply, which might be attracted by good wages, than have agricultural cooperatives in avoiding increases in output. For this reason, a price support program might be viewed as a method of organizing farmers so they can deal effectively with the market supply problem. As such, the farm program assumes that farmers need more direct help than the National Labor Relations Act gives workers. When we talk about organizing agriculture to engage in collective bargaining, we run into the question of the level of prices they try to obtain and the relationship of that level to the future supply. As cooperatives have found by sad experience, they rarely can control future supply. Some of the worst consequences can be averted for a time by a dumping program. If, however, as the attempt is made to hold prices above the level which will clear the market or that supplemented by the feasible amount of dumping, the question of control of capacity, such as acreage, arises.

The question is then whether acreage control is analogous to collective bargaining. If the union is a closed union, then the analogy between that and acreage control would be quite close. Most unions are not closed, formally at least, but are open to new applicants. Nevertheless the union is in a position to pull out of the market the total supply. Employers do not try to break strikes any more. That is another one of our institutional changes.

Agriculture has on a hand a given stock which is not only perishable, but also must be moved because another crop is coming along. When labor holds itself out of the market that much output is destroyed. Actually, without having close the union, labor is able to keep supplies off the market much more effectively than agriculture can without acreage control. It is also true that if a union were to hold its wages so high that the result is a reduction of employment, the unemployed are thrust on the public payroll. There is some analogy between unemployed labor and unemployed land, or products dumped abroad.

Just as acreage control tends to be defeated by improved farming practices on the reduced acreage, high wages encourage mechanization. This restrains somewhat the demands of the union. Certainly we see in many unions a consciousness of the effect of wages on costs and on product prices, and through that on unemployment. If for agriculture we had a series of variable supports intended to match the prospective demand, this would come closer to an analogy with much of what unions do. But the analogy even then is far from a perfect one. In spite of that conclusion, those interested in agricultural programs of the sort we have on the books now ought not to look with such a jaundiced eye at the labor field, and vice versa, for there is a Biblical story about the mote and the beam.

Going on to the third of the institutional changes (we have talked about the doctrine of limits and the doctrine of group pressures), let us turn to government's assumption of the major responsibility for the stability of the economy and for income distribution. Most of the agricultural programs on the books, or those that have been debated in Congress, have not been developed with an eye to the moves necessary to stabilize aggregate employment and income in this country. It is accident, rather than a matter of design, that when there is a rise in unemployment and a drop in income, there will occur a drop in the level of farm prices and a larger amount for price supports will flow out of the Treasury. On the other hand, if we have a prosperous period, there will be less of support activity, and this may facilitate a budget surplus. But to the extent that this occurs it is not a matter of conscious planning. Furthermore, as Professor Jesness pointed out, most of the programs which get through Congress call for a level and rigidity of support prices so high that they will probably be in operation even in prosperous times. Thereby they will be contributing to a continued tendency toward budget deficits.

The effect of farm programs on income distribution differs both as between farmers and non-farmers and among various classes of the non-farm group. Insofar as the farmers receive more than they pay in taxes, it would mean that the cost of price supports is borne by the urban sector. To that may be added whatever effect the height of prices resulting from the support program has on the cost of living and therefore on the real income of the urban segment of the population. Within the farm population the effect depends on the coverage of commodities in the support program. It has bothered me that some commodities are always covered and some are not covered effectively. I think I could take a group of students who have never read any agricultural legislation and, after acquainting them with the geography of production and with how we elect representatives and senators, they could pick out the commodities which will have effective support programs. Beyond mere voting power, the type and liberality of programs have reflected the difficulties of supporting certain commodities. I suggest that administrative convenience is not a substitute for justice.

Within the urban sector, because of the character of our tax structure, any payments out of the Treasury represent a shift between the higher and lower income groups. If that money is then used to hold up the level of retail prices, any benefits that the lower income group in the cities have from the tax structure may be offset by the impact of the cost of living.

Finally, we turn to the national security problem. If we were concerned about national security and agriculture's contribution to it, we would give more thought to resource conservations. While a full granary was helpful during the last war, I

suggest that soil is much more important. Then the happenstance effects of dumping is an unfortunate thing from the point of view of developing the kind of world and trade in which we have such a large diplomatic and military stake.

I do not believe that it would be very difficult to design an agricultural program which would be quite consistent with the economy-wide institutional developments I have outlined. It would take some parts of the Brannan Plan. It would take advantage of the machinery of the market to administer commodity distribution. I do see an inconsistency between holding the prices of feed grains high by price floors, for these become major costs for other farm products such as livestock and milk. Basically, however, any farm program which is in harmony with the institutional arrangement in the economy as a whole clearly calls for floors which are substantially below what we have on the books. Furthermore those floors should be worked out by administrative agencies who are given general instructions. Those instructions should be drawn primarily in terms of trying to improve guidance of agricultural output rather than to protect this or that segment of agriculture or agriculture generally.

When we look at the difficulties of getting a program which is internally consistent, is in harmony with the rest of the economy, and is politically palatable, we get the blues. We need the buoyancy of a life insurance salesman. But the fact that we here are all engaged in education in the field of economic relationships indicates that we have a faith that when people understand and discuss public issues they will then arrive at better conclusions.

EDMUND DE S. BRUNNER: It was to be expected, considering the auspices under which we are meeting, that a sociologist would be asked to participate in the program. It is an indication that the interdependencies among the social sciences are recognized. From the broad point of view the economic purposes of men are also social purposes. The farmer is interested in a high income, not for the sake of the dollars alone, but more for the sake of what those dollars can buy in the way of better living.

I was much impressed with the point of view of the Rural Commission of the Australian Ministry of Post War Reconstruction. In one of the longest of its nine reports it stressed the need for better health, better schools, better homes, etc., in rural Australia. Our own Land-Grant Colleges Post-War Policy Report did so too. But the Australians went further than saying that better education was a social good. They argued that the disparity between urban and rural Australia, with respect to the social amenities, was no longer economically supportable by the Commonwealth of Australia. In other words they argued forcefully that social parity for rural Australia would pay economic dividends to the total society. The converse, of course, is equally true, but that converse in Australia, as in American society, is accepted almost too uncritically. We all know that time and again man does not respond to given situations in terms of their long time economic advantage. Considerations of the culture, of social values, of various types of motivations, even of religious beliefs, enter in. The psychologists, the anthropologists, and the sociologists are needed to explain the dilemma caused by such attitudes and help in educational programs needed to gain acceptance for a given economic policy.

The Australian Commission was therefore wise in bringing to bear both economic and social arguments in favor of its proposals and in declaring the

inter-relatedness of these considerations. They said that capital invested in human beings does pay dividends. It was astute also in pointing out that its proposals were in terms of what it maintained was to the advantage of the entire nation. It took its stand wholly on what we on this side of the Pacific have come to call the general welfare.

The sociologists would propose this as the criterion to apply to all proposals with respect to agricultural policy. What we need above all else in the United States at the moment, in my judgment, is an agricultural policy for the people of the United States. Not very long ago I received from a former student a document allegedly setting forth impartially the various points of view which we have been discussing today. I wrote him as frankly as I could that I was rather shocked by about one-fifth of the paragraphs because in them not once was any consideration mentioned except the consideration of the farmer himself. A few years ago the distinguished first Director of the Farm Foundation, in an incisive and forceful paper, pointed out that the over weaning danger to American democracy within our body politic was rampant groupism. If anything, it is more rampant today than it was when H. C. Taylor made that statement. Indeed, as was noted this morning, we have seen a serious manifestation of this disease within the largest of our farm organizations when the issue of flexible as against static and mandatory 90 percent parity essentially arrayed the cotton South against the Midwest.

I take it that I do not need to argue for my basic criteria in this company. But it may be worth while in passing to catalog three practical reasons why this criterion is to the long-term advantage of the farmer himself.

1. Nationally the farmer is a minority group. The only way for a minority to get what it needs is for it to convince the majority that its necessities are also good for that majority.
2. The rural farm population is no longer even the larger half of the total rural population. In many States it is down to around eight, ten, twelve, or twenty percent.
3. In the third place, the farmer's highest prosperity has thus far come when the economy as a whole was prosperous. The policies he advocates with respect to his economic life, if they are to succeed, must not penalize his customers. The title of one of John Black's books suggests itself here - Parity, Parity, Parity.

To look at the other side of the picture for a moment, there is certainly no thinking person who would wish to return to the days prior to the Federal Farm Board when, despite specific laws for the benefit of agriculture, we had no national over-all agricultural policy. The long years without such policy, the long struggle to achieve some measure of justice for the farmer, took a heavy toll in the rural and national economy as the depression deepened. The rural sociologist is at one with the agricultural economist in desiring a policy which will forestall the return of such days. Further, he knows that the surplus producing economies of North America and Australia are dependable sources of energy foods in times of world crises and famine. But we cannot have a war every 25 years to bail the farmers of these continents out of bankruptcy. Moreover, if purposes of national defense require the production of more

non-perishable food and fiber than we can immediately consume, then it is clear that society must pay the costs of stock piling.

All of the proposals recently before Congress have failed to make their objectives as explicit as I, for one, would wish. I, like others, have talked about the farmer and agriculture, but we all know these terms are a fantastic over simplification.

There are a bit more than three million farms in the United States which average forty acres, one-third of them in the South. Perhaps one-fourth of these are operated by persons over 65 years of age, many of whom have begun the process of retirement. One-sixth to one-fifth are week-end, suburban part-time farmers. Tens of thousands of farms had no income to report to census enumerators in 1945 and a few hundred of thousands more reported less than \$250. It is time politicians and communists (although from widely different motives) stopped including such places in their speeches on behalf of agriculture. I, for one, am far less interested in what the Brannan Plan will do to my few acres in Connecticut than what the price of eggs will do for the household budget.

But how about the two million in this group who get the major portion of their income from holdings averaging 40 to 50 acres? Were the Gore, the Aiken, and the Anderson Bills and the Brannan Plan written with them in mind? Or were these proposals drafted with the two and one-third million farmers in mind whose holdings averaged 222 acres in 1945 and comprised 52 percent of our farm land. And above them there are still 100,000 holdings containing over one-third of our farm land, as reported in the census, which averaged almost six square miles per holding. Is it possible to write one law which will take care of all these groups and assist in achieving and/or maintaining something approximating the vaunted but seldom defined American standard of living generally throughout rural America?

To do this these plans must erect some sort of dike against the danger of another engulfing depression. For the sake of our country and of the world, as well as for the sake of the American family farms, I do not want to see a return of anything approaching 1930-33 in American rural communities. It may be simply the limitations of a sociologist, and I am ready to be set straight, but I do not see in the present law, its predecessor, or in the Brannan Plan anything that would be supportable by federal tax resources if the Federal Reserve index should drop very much below 150. Not one of these plans gives us the defense we need against economic and social catastrophe.

Indeed, one thing which makes a sociologist uncomfortable about the present law and even, although less so, about the Brannan Plan, is that it motivates the farmers to produce not so much for the nutritional and other needs of their countrymen as for the Commodity Credit Corporation. It happens that I live in a community 50 miles out from New York City. I can hear the cows of the dairy farms, although between those farms and mine there are people whose major income comes from New York City. But when talking to these full-time farmers I am more than once shocked at the way their management is motivated with an eye on the CCC.

No proposal yet meets the needs of both the under-employed full-time family farmer and the full-time commercial farmer who has been reasonably prosperous

these last ten years but whose position is somewhat threatened at the moment. In short, we do not yet have a wholly adequate policy which meets the criteria of general welfare for the four million most important farms in the United States. Perhaps we need two Brannan Plans!

Let me turn to a few words on the wider aspects of the situation which I have already mentioned, namely the general welfare. Fortunately it is not my job to write an agricultural policy for the United States - I can only discuss it. I would like to introduce a quotation from an address by O. V. Wells in which he said, "As I see it, the national farm program is essentially a large-scale, concerted effort on the part of American farmers to equalize their bargaining strength with other groups in the American and world economies in which their products are sold." I will grant this, but the question still remains at what point do we determine that equalization takes place?

One of the pastimes of the sociologist is to watch the formation of public opinion, to gauge the point at which any issue becomes so important to enough people that you have social organization taking place looking toward action. With respect to the rural situation my own position is not disadvantageous. I am a lonely rural sociologist in the world's largest city. But the very fact that there are so few of us in New York concerned with the area of rural social sciences and with rural America means that all kinds of people call us or write us and say "How come?" There is not time to sketch the evolution of urban opinion with respect to agriculture, an evolution which I could document not only from the editorials of the press but from my commuting neighbors, from taxi drivers, from the service employees of my university and, worst of all, from the wives of my colleagues. My acquaintance with eastern opinion is not only that of the New York papers - I try to see others. We all recognize that if it had not been for the city people's recognition that the situation which existed in the 1930's was harming them, the first agricultural adjustment act would not have passed with the ease that it did. If you will go back over the editorials you will discover all through the period from 1934 to 1939 a great and friendly interest in agriculture. The Sunday after the Agricultural Adjustment Act was declared unconstitutional, the New York Times carried an article by Dean McBain stating that this decision was a calamity from the social and legal point of view. This attitude began to change soon after it became evident that we were going to get into the war. In the spring of 1941 Mr. O'Neill came to town and made an address in which he said that parity meant justice for the farmer, consumer, American business, and the Nation. You and I know that he can make a good speech. The editorials applauded him and a few weeks afterward, without any warning, the Farm Bureau announced that during the war we had to have 110 percent parity. Not long after that one of the New York papers said it had been mistaken, that the number one enemy was not John L. Lewis but Mr. O'Neill. From then on there has been a growing concern about the demands of the American farmer.

In the meantime we have had the Brannan Plan and, interestingly enough, instead of the criticism which had begun to appear in the labor press, we now have a number of the national unions and some locals endorsing the Brannan Plan. Now this is not unpleasant news to some in the U. S. Department of Agriculture. But do not miss the significance. When labor, and particularly labor union locals, begin to endorse an agricultural policy, it means that urban congressmen are hearing from home about agricultural policy. One of my associates in the university told me

yesterday that his own congressman had hunted him up and pleaded with him to give him some information about these agricultural policies and what the farmer needed. He went on to say that he is hearing from labor unions and, after all, there is going to be an election soon. This means that on matters of farm policy our organizations like the Grange and the Farm Bureau may have a new force to reckon with. It will be a force that expresses its convictions in economic terms. It could even become a movement which may institutionalize itself. Labor's endorsement of the Brannan Plan, the sarcasm of its press, and indeed of some urban newspaper editorials, over the postponement of flexible parity prices, is motivated by what looks to the city consumer as a postponement of the cheaper food he desires. It is also defended on the ground that payments will go to all operating farmers - the actual tillers of the soil. For many urban people the Brannan Plan ties together the conviction that another agricultural depression must be avoided with their increasing desire for a decline in the costs of living, and it does it in terms of income, not of prices. Income is a concept more congenial and understandable to labor than price. Please remember that I am not saying that the Brannan Plan would accomplish these things which city people think they see in it. Rather what I am trying to do is to report to you the considerable beginnings, in some spots, of a social phenomenon affecting the American farmer which is beginning to come out of the cities, because what affects the American farmer also affects the other citizens of America. Therefore I am saying that this event in itself is another argument for forging the best possible agricultural policy in terms of the general welfare of the people of the United States, among whom our farmers are also numbered.

CHARLES M. HARDIN:

1. How Do We Get Price Policy?
2. Why This Involved Process?
3. Political Consequences of Agricultural Policy and Especially Price Policy
4. Significance for Education and Research in Agriculture

1. How Do We Get Price Policy? Take any major governmental policy, preferably in a controversial area - such as agricultural price policy. How is it formulated and administered?

A major part of public policy is laid down by the Congress. But typically this action comes only after much debate, pressure, (and counter-pressure). Nor is Congressional action once-for-all. Hardly has the bill been signed before demands to change it emerge.

So we have the Congressional process, still involved, although recently improved. Some strategic points are the Speaker of the House, committee chairmen in both Houses, sub-committee chairmen, and conference committees. Many opportunities exist to delay action, to force compromises, or to thwart action. Responsibility for action or the thwarting of action is often difficult or impossible to assign. Likewise it is often impossible to know what "Congress" "intended". Thus in an

address to the P.M.A. conference in Memphis on the Agricultural Act of 1949 (Dec. 5) Deputy Administrator Frank Wooley noted conflicting interpretations of the Secretary's discretionary authority made by the Conference Committee Report and by Senator Lucas on the floor.

But congressional action does not exhaust the policy-making process. How did the Agricultural Act of 1948 get formulated as it did and passed? To answer this satisfactorily, one would have to begin at least with the agricultural depression of 1920. In a more limited analysis, one would have to relate the act to the AAA of 1938 and subsequent legislation. He would examine the Long-Range Policy Proposals of 1947, the demands of the farm organizations (especially the Farm Bureau), the analyses of the committee staffs, and the particular points advocated by the USDA. But he would have also to consider the role of the Republicans high command which wanted a farm bill as part of its record for the 1948 elections.

Thus our political process allows for many influential elements, including— Congress, parties and the electorate, pressure groups, the executive branch, and the courts -- and none of these are units: rather, internal divisions abound.

2. Why This Involved Process? Our political system is characterized by a determination that final power shall not reside anywhere. All politics faces a fundamental dilemma. On the one hand is the drive for power to organize and control government and the demand for actions that apparently only government can undertake. On the other hand, the drive for power is competitive and political demands conflict -- need I illustrate this with agricultural price policy? Further, a conviction remains that, if power must be organized, it must also be checked.

But there is an over-riding factor that must never be forgotten. Political systems emerge to establish order in society, to provide justice, and to enable the society to defend itself against external enemies. These are political minima to which constitutional democracy adds: The advancement of the general welfare and the protection of civil liberties.

What must always be remembered is that agricultural price policy is produced and administered in a political process which serves many ends, as enumerated above.

It follows that we need to think of the political process, criticizing it or suggesting improvements in it, not just in light of the obstacles it presents to achieving agricultural price policies we happen to prefer, but in light of the necessity for organizing power, the equal necessity for controlling power, and the numerous ends of power.

Let us admit that politicians often claim too much. Dwight Morrow once remarked that a party which takes credit for the rain must accept blame for the drought. But in view of my audience I am more concerned with a very superior attitude toward politics fashionable among many economists. Fortunately I need not belabor the farm fraternity with an illustration as Sumner H. Slichter of Harvard provided one in The Chicago Daily News last week.

"THE PRESIDENT would also have done well to remind his listeners that

the rapid growth in income during the last 50 years was made possible, not by the politicians, but in the main by scientists, engineers, and other kinds of technicians."

This attitude ignores the contribution of politics to the maintenance of order, liberty, justice, and defense as well as its contribution to the general welfare -- all of which, I maintain with intense conviction, are essential to "the rapid growth in income during the last 50 years . . ." The attitude further ignores the commitment to politico that is required of each of us by responsible democratic citizenship.

3. Political Consequences of Agricultural Policy and Especially Price Policy.

Thus we make the transition from a political analysis of how policy gets established and administered to its political consequences. More accurately we add -- or, even better, bring together -- analysis of how policy gets made with its political consequences.

First, what is the effect upon political power? Agricultural policy has notably expanded the sphere of government in this country and has induced by far our vastest experiment in governmental peace-time planning. It has centralized government, yet over the years it has strengthened the states, too, by strengthening institutions and farm organizations which are based in the states. It has contributed to the strength of Congress versus the executive, yet it has built an administrative organization and a concentration of power which may be capable of supporting the executive against Congress. It has produced an elaborate system of group-and-sectional compromise -- in and out of Congress -- which is capable of formulating political compromises on difficult problems -- e.g., the Memphis Cotton Agreement. At the same time, it has encouraged a splintering of the political process to provide policy for separate purposes or particular commodities without much regard for the effects upon other purposes or other commodities. It has greatly contributed to the formation of the largest farm organization, The Farm Bureau, and has contributed to its formal unity on policy positions. At the same time, it has sharpened divisions within the Farm Bureau -- so that, as a southern advocate of 90 percent of parity might say, "They'll lick us in The AFBF Convention in Chicago, but we'll lick them again next year in Congress." Finally, in the Brannan Plan, it has produced an effort to make farm policy frankly partisan; it has dashed this effort in 1949 by reasserting the already classical process of group-and-sectional bi-partisan compromise. Yet experience of the last two years suggest that group-and-sectional compromise may be breaking down. If so, what is to take its place?

Such appear to be some of the consequences for political power of agricultural price policy. I apologize for oversimplifying the situation and add that, if paradoxes abound, this is to be expected in a democracy where power is controlled by division. In fact, these are not paradoxes but the manifestations of opposed power.

Second, What are the consequences of agricultural price policy for human values? If men disagree as to the relationship, they unite in coupling power with values. Let us assert that political values explain, justify, and sustain the method of organizing, employing, and controlling power. It is legitimate -- nay, it is a duty for one to formulate and ponder his political values, recognizing that any set of political values is viable only if it is understood and accepted by people who are sufficiently numerous, influential, and courageous to form an effective base for the political

organization of a given society. If that statement is slightly circular in its reasoning, let me add the conviction that it is within the human province to interpret it either as a merry-go-round or a rat race.

Fundamental human values in a democracy appear to be those which support constitutional government and the dignity of the individual. Interpretations even of these values vary and must vary for the democratic society to be healthy -- but equally the variations must substantially confine themselves within limits. Another democratic value appears to be that power shall be widely shared. This, in turn, requires political institutions which allow for wide participation. But it also postulates that the bases of power be widely distributed. What are the components of power? I should include education, prestige and its counterpart recognition, and security. Each of these would require elaboration if time permitted. Should we include as a basis of power, private property as a productive resource? If so, we must recognize that many of us have only the property in our persons. If we argue for a wide distribution of property, what shall we advocate to provide capital accumulation necessary for the prosecution of large enterprises? Further, how shall we provide for those whose only "property" lies in their skills, their job security, or civil service rating? But, ah! -- How shall we provide -- do not these words betray a shift in our thinking from (a) The concept of the basis of power within the individual or annexed to him which makes him free to accept or reject, favor or oppose to (b) The concept of the basis of power as something accorded by law, as civil service status or union security?

I am not going to try to dig any further into the basis of power here. But let us vote the association of power and the values related to it with interest -- defining interest as what men want, individually and in combination. If wants are to be satisfied politically, they must be associated with power and rationalized as values. It is part of the politician's function to articulate values which will enlist interests with power. This is an essential function in the dynamic process of peaceful adjustment in society. (Peaceful doesn't mean tranquil here -- it means short of war). But as politicians marshal interests, they inspire our collective life with conflict -- including conflict over values. Interests and values favoring wide distribution of incomes and social security conflict with interests and values favoring private development, a degree of economic free initiative, and a policy of government "interference" only at the behest and on the terms of those "interfered" with. Viewed thus, the significance of that order of values which directly sustains the democratic political order itself appears clearer. In light of present and prospective political conflicts, it seems essential to provide education about man in society on the assumption that people will make firm choices for the fundamentals of democracy so that political struggles may continue without resort to violence. In fact, I would advocate the deliberate indoctrination of these fundamentals so that faith can establish what it is hoped mature reason will justify.

Now, what about agricultural price policy and values? What I said about the consequences for power can be interpreted in connection with values. Thus agricultural price policy has been explained to help justify the welfare state, governmental planning, redistribution of wealth, and -- indirectly -- the centralization of political power. Such policy has borne and matured parity or the doctrine of the fair share of the national income for agriculture. This doctrine is closely akin to another, that agricultural policy reflects the political and economic demands of organized agriculture and that this is justified in recognition of agriculture as an effective

interest -- another way to put it is: Might makes right.

Value issues are emerging as to the distribution of income within agriculture. Critics have long focused on the regressive effects of the 3A program. Congress limited ACP payments and has sometimes provided minimum acreage allotments or marketing quotas. Secretary Brannan's advocacy of the maximum of 1800 units was attacked but not I think with the degree of vehemence that would have reflected the intensity of opposition to it. I further think that some of the opposition to production payments rests upon the desire not to disclose the distribution of governmental price supports within agriculture.

But let me predict now that the question will be raised more and more peremptorily as to the incidence of public programs for agriculture within agriculture -- specifically, who gets the benefit of agricultural price support, credit, conservation programs, and research and education? Moreover, these questions will be raised in a debate shot through with appeals to values.

Finally, in agricultural policy as in other fields, the phenomenon of conflicting interests and values repeats itself. But here also values, beside intensifying conflicts, also serve to resolve conflicts -- although a different order of values is involved. The political set-backs sustained by agriculture in the 1920's through presidential vetoes were resolved in favor of agriculture through shifts of political power in the 1930's but also through the emergence of politically viable values, especially those associated with parity.

But conflicts continue. With them will recur the need to analyze power, interest, and values and their interrelationship. This analysis is the peculiar responsibility of politicians -- and in a democracy all are politicians.

4. Significance For Education and Research in Agriculture. First, it seems to me that we need a great deal more research and education that is directly related to the problem of public policy continuously manifested in agricultural and related fields. I surely commend the steps in this direction implicit in Director Wilson's Washington Conference last June, the Farm Foundation's willingness to finance a program of which this is the beginning, and the various programs of agricultural colleges represented today.

Second, I should like to push the work in this area to a broader consideration of the phenomenon of political power, its organization and control.

Third, if the work is so pushed we are going to need research as well as education. An abundance of material lies at hand, but it has been little analyzed in a manner to make it useful for extension workers.

Fourth, academic freedom is going to be difficult to maintain in this area. Since I have considerable analysis in my forthcoming book as well as in other writing now in progress which bears upon this problem, I shall merely note it here.

H. R. WELLMAN: It is quite appropriate to have an appraisal of the proposed solutions of the agricultural price and income problem from the viewpoint of a production

economist come at the end rather than at the beginning of this symposium. The basic concern of the production economist is with the use of resources. His objective is the optimum allocation of resources within agriculture and between agriculture and other segments of the economy. Solution of the resource problem is not, however, the main objective of current government price-support programs. Their chief concern is with maintaining prices of selected farm products above the levels that would otherwise prevail and thereby enhancing the incomes of particular groups of farmers. Artificial maintenance of agricultural prices is incompatible with optimum use of agricultural resources. Both cannot be attained at the same time. One or the other must yield.

Economists generally place a high value on the optimum use of resources -- much higher, I suspect, than do most politicians or most farmers. It does not follow, however, that economists are right in their emphasis. A farm program is not wholly bad if it results in mal-allocation of resources, nor is it wholly good if it results in improved resource use. Other goals may, in the opinion of the large majority of the population, outweigh optimum utilization of resources.

It is important, however, for the people -- both farm and city -- to know the effects of existing or proposed agricultural programs upon the use of resources. In order to form intelligent opinions regarding such programs they need to know, among other things, whether the programs tend to raise the real income of the nation or to lower it.

From the standpoint of optimum utilization of resources, the basic difficulty with existing farm price-support legislation is that the price supports are too high. They are too high in the sense that at the price supports authorized consumers are unwilling to buy all of the agricultural products which farmers are willing to produce. These high support prices create numerous problems, the solutions of which are yet to be found.

1. One of the unsolved problems arising from high price supports is how to keep production from exceeding market demand at those prices.

Experience before the war revealed the weakness of acreage allotments in reducing production. Despite rather sharp cuts in acreage, national production remained high. Farmers, by more intensive cultivation, appreciably increased yields per acre. By 1940-1942, crops of corn, wheat, and tobacco were all above the 1931-1933 averages, despite reductions of from 13 to 20 percent in acreage. The cotton crop was reduced, but it took a 38 percent decrease in acreage to bring about a 17 percent shrinkage in production.

It seems clear that much tighter controls than any yet exercised will be necessary if production of agricultural commodities is to be kept down to the level where it all can be sold at artificially high prices. In addition to acreage controls, it will be necessary to regulate cropping practices, the amount of fertilizer, the kind of seed, and the hours of labor. I am not advocating such controls. I am merely reporting that they are the logical companions of high support prices.

Inherent in any system of acre allotments and marketing quotas is the necessity of allocating production rights among individual producers. Who is to be permitted to grow the product, and in what volume? The answers which have been given to these

questions are that in the main only those farmers who have grown the product in the past will be allowed to do so in the future, and that their shares will be based upon their past performance. Historical allotments are clearly an effective device for preventing low-cost producers from gaining a larger share of the market.

2. The second unsolved problem is what to do with the products that the government acquires in supporting prices. These products can seldom be sold in regular commercial channels without depressing market prices and thereby defeating price-support operations. On the other hand, they can seldom be sold outside regular commercial channels without substantial loss. This is the dilemma. And the higher the support price the more acute the dilemma becomes.

In the case of storable commodities, it is true that the problem of surplus disposal can be postponed for a time, but not indefinitely. The C.C.C., you may recall, was in rather serious difficulty by 1941 as the result of heavy stocks of corn, wheat and cotton accumulated in previous years. It was rescued by World War II. That agency is again accumulating heavy stocks in order to support farm prices, and the end is apparently not yet in sight. The C.C.C. cannot safely plan on again being rescued by fortuitous circumstances. Sooner or later it will likely have to face the difficult and disagreeable problem of disposing of its holdings.

In the case of perishable commodities, the problems of surplus disposal must, of course, be met currently. They cannot be postponed or concealed.

In the 1948 crop-marketing season the Commodity Credit Corporation purchased 40 percent of the nation's total production of Irish potatoes at a cost of 228 million dollars. A small quantity of these potatoes were sold to starch manufacturers, but the great bulk were wasted. In order to support potato prices at high levels -- 90 percent of parity -- the government was forced into the untenable position of destroying food. This season with support prices at 60 percent of parity both the cost to the Federal Treasury and the wastage of potatoes will be materially smaller than in 1948.

The potato deal, while an extreme case, is not an isolated one. During the fiscal year 1948-49 the C.C.C. purchased 67 million pounds of dried eggs at a cost of 81 million dollars. On June 30, 1949, it still had on hand 63 million pounds. Dried eggs, I am told, will not keep indefinitely.

Secretary Brannan would avoid the problem of surplus disposal so far as perishable products are concerned by instituting direct payments to farmers in lieu of purchase operations. Market prices would be left free to perform the very useful function of adjusting consumption to existing supplies. Farmers would be paid the difference between the support price and the average market price.

The question may well be raised: Why confine direct payments to perishable commodities? If the proposition of permitting prices to clear the market is valid, it is, I suggest, equally applicable to storable commodities as to perishable ones. So far as I can determine, the advantages and disadvantages of direct payments are much the same for the one group of commodities as for the other.

As compared with purchase and diversion operations, direct payments have the distinct merit of channeling products into their highest valued uses. Waste of

perishable products and burdensome carry-overs of storable commodities would be largely avoided. Consumers would benefit from larger market supplies and lower prices. This benefit would, of course, be offset in part, and possibly in large part, by the higher taxes required to finance direct payments. Government expenditures, themselves, would likely be considerably larger under a program of direct payments than under purchase and diversion operations.

I am not at all certain that the allocation of resources within agriculture or between agriculture and other segments of the economy would be much better or much worse under direct payments than under purchase and diversion operations. The questions of levels of and relationships among the support prices are, I suspect, much more decisive in resource allocation than the particular methods employed in supporting prices.

3. A third unsolved problem is what to do with the excess land when acreage allotments are in effect. Acreage allotments while reducing the acreage of particular crops have, under past programs, generally resulted in an expansion of acreage of other crops. Land withheld from production of basic crops did not as a rule remain idle. Instead it was quite generally devoted to the production of other crops. Prices of these other crops were depressed by reason of the increased volume, reducing the incomes of the growers who depended upon them as a main source of revenue. Thus one group of farmers shifted its problems to other groups. Part of the gains which accrued to the producers of basic commodities from acreage curtailment were at the expense of the producers of nonbasic commodities. No one has yet resolved this perplexing predicament.

4. A fourth unsolved problem created by high price supports is how to prevent increased production of substitute products. This problem was emphasized by Secretary Brannan in his testimony before the House Agricultural Committee on March 2, 1949. He said, on Page 14:

"It is important that production of other feed grains be controlled in some manner if corn is controlled because of the resulting increased competition between these feed grains. Unless production of these other feed grains is controlled, stocks of corn may be expected to accumulate in the hands of the government. The net effect would be a cumulative downward adjustment of corn production at the same time that supplies of other feed grains are increasing."

"Consideration must also be given to the fact that crops competing with corn are not limited to other feed grains. An important historical illustration was the rapid increase in soybean production in the Corn Belt associated with the corn acreage adjustment program. From 1933 to 1942 the acreage planted to corn decreased 21,000,000 acres, while soybean acreage showed an increase of 11,000,000 acres. As a result, soybean oil in vegetable shortening and margarine became an increasingly effective competitor of lard, butter, and cottonseed products while the soybean meal was a very efficient protein supplement in livestock feeding."

Later on in the hearing, (see Page 64) Congressman Andre sen (Minnesota) asked:

"Would the gentleman also suggest you should control the production of hay and pasture grass because that competes with corn and other grains?"

It is indeed difficult to find a good stopping place once we have started down the road of production control. Most farm products are related to one or more other farm products either in consumption or in production.

The problems which I have mentioned, -- and several others could be added to the list, -- are all more difficult of solution under high support prices than under low support prices. In fact, it is doubtful if they can be solved so long as farm prices are supported at high levels.

Judged solely from the standpoint of the optimum utilization of resources, the Agricultural Act of 1949 is sadly deficient. As I have already mentioned, its basic difficulty lies in the high level of support prices authorized. High price supports for farm products may be justified on some grounds, but not on the grounds of better utilization of resources. High price supports tend to promote inefficient rather than efficient production; they tend to upset rather than improve the production balance within agriculture; and they tend to impede rather than facilitate the transfer of excess labor out of agriculture.

Sixty percent of revised parity is probably about as high as price floors should be set if they are not to exceed genuine stop-loss levels.

The revised parity price formula would include:

- a. A shifting base period for the parity price index itself. "Its base period would be the most recent normal peacetime period in which national production and employment were at high levels."
- b. A moving base period for determining the relationship among parity prices of individual agricultural commodities. This base period would be the previous five or six years, excluding the war and immediate postwar years.
- c. Adjustments in the current parity prices of crops to reflect departures in national yields per acre from the average of the preceding ten years.

My second choice would be a system of stop-loss price floors on individual farm products to be in effect in good times as well as in bad. If the price floors were set at genuine stop-loss levels, a considerable measure of protection would be provided farmers without requiring severe restrictions on agricultural production, without resulting in burdensome stocks of storable commodities or waste of perishable products, and without involving a continuous drain on the Federal Treasury.

I realize that price floors at genuine stop-loss levels may be difficult to define in terms of dollars and cents per unit of product. In view of this difficulty, I would not oppose price floors being based upon a low percentage of a revised parity, although I must confess that I have no real enthusiasm for the proposal.

My comments thus far have been largely negative in character. I have been free to criticize what is being done, but I have not come forward with any positive proposals, except perhaps by implication.

What then would I suggest:

1. My first preference is this:
 - a. I would abandon entirely government price supports of individual agricultural products.
 - b. In periods of full employment and high levels of national production and income, I would concentrate upon improving the operations of the competitive market.
 - c. In periods of severe and prolonged depression, I would supplement farm incomes by direct payments to farmers.
 - (1) I would prefer that the payments be based on individual cash receipts from marketing as outlined in the committee report "On the Redefinition of Parity Price and Parity Income" published in the November 1947 issue of the Journal of Farm Economics.
 - (2) But I could also support, with minor modifications, Dr. Schultz's proposal of compensatory price payments.

THE RESPONSIBILITY OF THE LAND-GRANT COLLEGES IN AGRICULTURAL POLICY ✕

Noble Clark

This conference devoted to the development of more effective ways of giving farm people educational assistance in matters of public policy is to me a most encouraging development. A gathering such as this, of representatives of more than half of the state agricultural colleges, and under the sponsorship of a private agency, gives striking evidence of the rapidly growing recognition that rural people need, and should be given, much more extension education in matters related to the role of government in agricultural policies. Many of us have been hoping that this need would be recognized.

A meeting of this kind would not likely have been very successful if it had been attempted a decade ago. Public opinion had not then reached the stage where many people could think of public policies as being anything but partisan politics. Even the college administrators, a decade ago, if they had received an invitation to send representatives to a conference of this kind, might have wondered if Frank Peck was planning to do some evangelizing for his political convictions! It is encouraging to note the very real progress that has been made in winning wider recognition that educational agencies serving farmers must take into account economic and public policy matters as well as the technical practices involved in the growing of plants and animals.

This change in attitude has come about quite naturally as a result of the changes

which have been taking place in our American agriculture. As farming has become more specialized and more commercialized, the welfare and prosperity of the farm family has been powerfully influenced by other factors besides the size of the crops. Those of us who carry responsibility for aiding farmers to improve their farm practices and to raise the levels of rural living, must today be concerned with many things besides bushels of corn and cans of milk. Events which take place beyond the line fences of farms, especially those which occur in the market place, and in the legislative and executive branches of the government, powerfully influence the income and welfare of farm people.

As a consequence, those now in charge of programs in agricultural research and extension have a different assignment than in the past. The old tasks are still ours to do, but there are today new responsibilities which are equally important, and we need quickly to develop effective techniques and procedures that will enable us to measure up to the requirements of the new jobs.

Many factors have tended to discourage Land Grant College administrators from embarking on more extensive research and educational programs related to public policies. There has been a realization that it is rare that there will be agreement, even among college people, on any single unequivocal solution for a particular issue of public policy. The agronomists will have little difficulty in agreeing on what to tell farmers as to which variety of wheat is best for them to plant under their particular soil and climatic conditions. But can we expect anything like agreement on one policy for farmers to advocate as regards governmental price supports for wheat? The very nature of public policies is that people differ in their beliefs regarding them. The economic alternatives are frequently not clearly defined or capable of accurate forecast. Ethical, or value, judgments are usually involved as well as just statistics and economic matters. Only those who are frankly partisans or evangelists will assert that there is just one effective way to meet a particular problem of public policy.

In this connection it also should be recognized that people still differ as to which breed of hogs is the best for a farmer to raise; and there certainly is lively controversy today as to the wisdom of crossbreeding pure bred cattle. We have learned by experience how to handle this kind of controversial subject matter. With issues of economic policy, the disturbing development comes when individuals or groups who sponsor a particular program regard any analysis or questioning of their programs as an unfriendly act. But I ask you in all seriousness, should we give first consideration to our educational responsibilities as public servants in a democracy, or should we think first of avoiding any activity which might have some controversy in it? I submit that the institutions which have faced these issues squarely as unbiased educational agencies are today in a stronger position with their constituents than those which have continually sought to avoid controversy.

It also should be emphasized that our educational objectives are somewhat different in the subject matter of the social sciences than with the natural sciences. We tell farmers what they should do when they plant alfalfa, and we really give them all the answers. Our forage crop specialists take the position that if farmers want to grow a difficult crop like alfalfa, they must faithfully follow out all of the procedures which research and experience have proved desirable and necessary. These include adequate drainage, the absence of soil acidity, the presence of bountiful supplies of phosphorus

and potash, the provision of module forming bacteria, the use of especially adapted seed, and a lot of other important details. The measure of the effectiveness of the extension activities of the forage crops specialist is the degree to which he can win the cooperation of large numbers of farmers in doing exactly as he recommends as regards the planting and management of forage crops.

But we certainly do not want the extension specialists in public policies to try to persuade all farmers to think alike about public policy issues. Such an educational program might be appropriate in Russia or in other nations having a dictatorial government, but it has no place in a democracy. We will teach farmers how to find the essential facts, how to analyze them, how to evaluate them, and how to draw logical conclusions from the facts. But we don't tell farmers what to think.

In the classrooms of our colleges and universities we have long given students instruction regarding virtually every issue of public policy, no matter how controversial. Every teacher of introductory economics faces the necessity of explaining socialism sympathetically and adequately, but not as an attorney or advocate for this philosophy of economics and government. The same is true for those in our departments of political science who give courses on world government and international cooperation. College administrators have long recognized that on the campus it is obligatory to teach subjects which are in controversy. Such teaching always carries with it an element of risk, but the risks cannot be avoided by any college which wants to claim the title of an institution of higher education. It also should be said that by and large the instructional staff of our colleges have acquired experience and facility in teaching these subjects in an impartial manner, so that it is only very infrequently that serious difficulties are now experienced in this connection. They have learned how to be objective, and to avoid any program of indoctrination.

The question arises, therefore, why there should be less willingness to present similar educational material to off-campus audiences. There probably are many reasons. In the first place, the extension worker does not have opportunity to discuss his subject matter in the same systematic manner in a series of statements as in a campus classroom. Likewise, the teacher does not have to be too much concerned about the previous enthusiams and loyalties of his students, but he does need to guard against having the students gain the impression that his personal judgments are in any sense infallible. The extension worker, however, can never get away from the realization that what he is saying may make headlines in the newspapers the next day, and enormously please or greatly disappoint large groups of citizens and voters.

The fact remains, nevertheless, that all of us have been in attendance when competent speakers have effectively presented the most controversial issues of public policy to a general audience; and they have done this to the satisfaction of their listeners, and without embarrassment to their employer institution. The job can be done by the right kind of extension worker, but it takes more skill, for example, than merely telling farmers which spray formula to use in combatting a particular plant disease.

It takes something else, too, and that is the realization that agricultural extension is primarily an educational activity and not just an action program. Actually, of course, it is both. All of us who have been associated with agricultural extension work have been rather proud of the tangible results which come out of our cooperative

programs with farmers, particularly as regards the number of improved farm and home practices which have been adopted. We know our efforts have not been wasted when we can count thousands of acres that have been limed, sown to legumes, strip-cropped, or otherwise farmed in a manner better than in the past. The same can be said for scores of other subject matter fields. Agricultural extension work has proved its value in winning farmer adoption of new and better practices.

But the basic purpose of agricultural extension work is the education of farmers and their families, and all other objectives are secondary to this. Our major concern is the provision of new information and the improvement of the minds of farm people. It is infinitely more important that rural people know and understand the more significant problems and issues which affect them as farmers and as citizens, than that they trustingly accept and carry out the ever increasing number of improved practices and recommendations brought to them by extension workers.

Please do not misunderstand me. I am not belittling the value and desirability of having extension programs followed up by constructive changes in the operation of farms and farm homes. Words without action will not meet the needs in a rapidly changing occupation like agriculture. But just as certainly action without understanding will not fulfill the requirements in the complicated matters of public policy. It is not a case of either or, but of both. We first need understanding, and then the action. But as educators in the land grant colleges, we have our largest responsibility in the field of understanding, while farmers are primarily responsible for the action.

The decisions farmers make in these matters are not likely to be any better than their information. It is unfortunate that American farmers are today receiving so little information on these public policy issues except through agencies or organizations which are frankly partisan. Most often we in the Land-Grant institutions have erred in two directions. We have not supplied farm people with all the information they should have, and we have not always refrained from telling them what their decisions ought to be.

Certainly there is a lot of confused thinking by farmers and other citizens as regards the basic issues of public policy. Much of what Americans are saying today is strangely like the old story of the man rushing out and mounting his horse and riding in two different directions. A few examples will illustrate what I mean. Folks are saying the government must get out of business, but at the same time they are asking for governmental purchases of agricultural products which are in surplus supply, and in doing so have radically altered many of our basic organizations. We are urged to give unfettered support to free enterprise - and we are told we should have protective tariffs to maintain production which cannot withstand competition from abroad. Inflation should be checked and the federal budget balanced - but we want to reduce taxes and give citizens more money to spend. We accuse European nations of not working together in the interest of Europe as a whole - and we require that the major portion of the Marshall aid money must be spent on purchases in America, which will surely make the individual European countries more dependent on the United States, and more independent of each other. And so I might go on.

The large educational responsibilities which have been given to us by the Congress, the state legislatures and the local units of government surely require more of us in these matters of public policy than most Land-Grant institutions are now doing.

We can hardly expect wiser and better governmental policies until Congressmen and legislators have assurance that the voters back home understand and want the improved public policies. This is just another way of saying that if the United States is to have better agricultural policies than those of the past, it will first be necessary that a better job of research, and of education for rural people, be carried forward in connection with these matters of public policy related to agriculture. If there is any other organization or agency capable of rendering this service of research and education as effectively, and as free from bias and partisanship, as the land grant institutions, I confess I have never heard of it.

None of us in the land grant institutions would want to claim that we are made of better clay than others. On matters concerned with the activities and prerogatives of the land grant colleges, we probably have as much bias as anyone else. However, when it comes to issues of national agricultural policy, we have few or no vested interests, but we do have competence as research workers; and much experience in giving instruction to students and adults in all sorts of technical and policy matters concerned with agriculture. Likewise, it is well to remember that all three branches of our government - federal, state and local - have laid upon us the responsibility of bringing the aid of research and education to farm people. It is significant that this mandate does not exempt those items which have to do with governmental policies.

You will note that I have asked for research as well as education. Extension workers have a right to ask the experiment station staff to supply them with the up-to-date and essential subject matter material for them to use in their programs of extension education. This applies to matters of public policy just as it does to the ingredients in a poultry ration.

All of us are aware that only a very limited amount of research has been carried out in our state agricultural experiment stations as regards these issues of public policy. But I think you will likewise agree that there is need for much more, and that the new Research and Marketing Act, with its emphasis on cooperation between states on matters of regional or national application, gives us the opportunity, if we will use it, to expand greatly our studies related to regional and national problems affecting the welfare of agriculture and farm people. I hope we do not disappoint those who are depending on us for this research which looks beyond the boundaries of a single state.

Surely, the United States Department of Agriculture cannot do the job alone. For one thing the federal workers do not have the same opportunity as we in the states have for close cooperative relationships with farm people. Even more of a handicap is their necessity to have their pronouncements conform pretty closely to the philosophy and programs of the political party of whoever happens to be President at a particular time. Federal workers can hardly be expected to disseminate findings or recommendations at variance with the beliefs of the Secretary of Agriculture and the President who appointed him to his cabinet.

We in the Land-Grant institutions should always be grateful to our organizational set-up which puts a board of regents or trustees between us and our respective state legislatures. At one time or another most of us have had arguments with our administrative boards, but we should always remember how much we have been helped by having them supply the general over-all administrative policy for our institutions

as in contrast with the direct responsibility to the legislative branch of government as in the case of the federal Department of Agriculture. Likewise the long tradition of academic freedom in our universities, particularly as regards research, carries with it much protection of the faculty member in his pursuit of knowledge.

The farm organizations have very limited funds and personnel to conduct regional or nationwide research in a large or complex field. These organizations have repeatedly urged that the Land-Grant institutions give them more of the aid of research in these matters of public policy. The same can be said for the committees of the Congress. They want unbiased information which has been analyzed and summarized by competent persons who have prestige as scholars and scientists.

Thus Land-Grant Colleges and Universities have a big job to do in helping rural people to find and to understand the facts as regards these public policy issues.

In conclusion, there is a philosophical aspect of this whole matter, that to me seems of more than ordinary significance. Two years ago I spent several months in Europe as an official of the United Nations Food and Agriculture Organization. Many of the observations I made over there have a lesson for the United States. None of these lessons is in my judgment more important than the necessity for a high level of basic education on the part of all citizens in a democracy. This education should include an understanding of the social, economic and political factors which are shaping the future of this and other nations.

Despotic governments, whether of the extreme right or the extreme left, constantly face a dilemma. It takes highly educated citizens to make a really strong nation. But most highly educated citizens are not happy under a dictatorship. A democracy has no such uncertainty or essential contradiction in purpose. The better the education of the people the stronger the democracy, and the stronger the nation. We in the United States have no better defense in the uncertain days ahead than the high level of education of the rank and file of our citizens.

Surely you will agree that the future calls for more, rather than less, education in the broad field of public policies related to agriculture - and the role of government in protecting and promoting the welfare of farm people. It is not enough to have knowledge only of plows and potatoes and pigs at a time like the present when agriculture the world over is under great stress, and involved in much uncertainty as to its future status.

Likewise, you will acknowledge that no agency or organization is as well able to supply this education to rural people as the Land-Grant institutions. We are public agencies and as such have an obligation to put the public interest ahead of any special interest. We desire to help farm people improve the human and cultural aspects of rural life, not just make more money or make American farms more efficient, important as these things may be. We believe that rural welfare can be improved without the benefits coming at the expense of the public generally. Basically, our policy is to help humans to improve their personal effectiveness, and with this human improvement will come a betterment of their incomes as well as a raising of their cultural levels. We begin with people because we recognize that there is no other foundation on which to build our hopes for a better agriculture and a better world.

X SUMMARY AND SYNTHESIS OF PRESENTATION
ON AGRICULTURAL PRICE AND INCOME PROPOSALS X

F. F. Hill

I noticed yesterday that everyone appeared to be taking copious notes and so I am not sure if I can contribute anything this morning. In any case I shall not try to make a complete summary of yesterday's discussions. Instead, I shall try to emphasize a few points which seem to me important in any attempt to do extension work in the field of agricultural policy.

Professors Cowden and Jesness have given us a good background concerning present agricultural and income policies in the United States, Professor Cowden stressing the processes by which policy is developed and Professor Jesness the history of policy developments in recent years. I would like at the outset to pick up two or three points made by Professors Cowden and Jesness which seem to me especially important. The first of these relates to the role of the educator, whether in the classroom or before a group of farmers, in the field of public policy. Decisions on public issues are reached by political processes. Under our form of government, people vote for representatives (federal, state or local) whom they believe will formulate and carry out policies and programs which, in their opinion, are desirable. In the case of referendums, such as are required in connection with farm marketing quotas, they vote for or against specific measures. Again they express, by votes, their opinions as to what is or is not a desirable line of public (government) action.

Each individual's opinion as to what constitutes desirable governmental action in a particular situation is based upon:

1. His beliefs as to "what is" -- his beliefs concerning the "facts" of existing situations and his beliefs concerning the probable results of alternative lines of action.
2. His beliefs or ideas as to "what ought to be." These involve value judgments as to what is "good," "bad," "fair," or "just."

Beliefs as to "what is" are subject to study and more or less objective analysis even in such difficult and complicated fields as economics and sociology. A careful study of the "facts" usually results in a reasonable degree of agreement as to the existing situation. We may even be able to get a considerable degree of agreement as to the probable outcome of alternative lines of action in these fields.

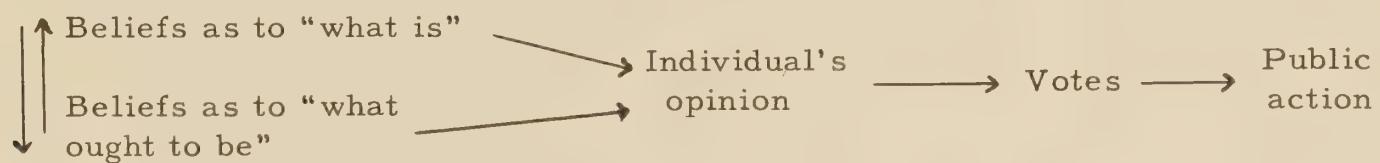
Beliefs and ideas as to "what ought to be" involving as they do personal judgments as to what is "fair," what is "just," what is "good," are a wholly different matter. These trace back to a whole range of personal experiences, ideas, values, etc. It may be possible in a given situation (1) to get agreement as to the nature of a problem and (2) agreement as to the probable results of alternative lines of action which might be taken to deal with it. One may easily find a wide range of opinions, however, as to "what ought to be done" about the situation. Here both beliefs and values enter in.

It is true, of course, that a person's beliefs about "what ought to be" sometimes

color his beliefs about "what is." There is interaction between the two sets of beliefs. It is also true that a person's ideas may change about what is "good," "bad," "fair," "just" etc.

In a democracy, it is the privilege and responsibility of each individual to express his opinions at the polls as to the general course of action he thinks government should take. Party platforms are, of course, notoriously vague and election pledges are not always kept, at least in detail. Nevertheless, it is usually clear at election time that different parties, if returned to power, will follow different courses of action. The individual has the opportunity to express his opinion at the polls as to the general course of action he thinks government should take.

His opinion in turn traces back to (1) his beliefs concerning existing situations, including the probable result of alternative lines of action, and (2) his beliefs and ideas as to what should be done about them.



As I see it, the job of the educator in a democracy in the field of public policy is to get the facts relating to public problems, analyze them, present them as clearly and objectively as possible, and analyze as carefully as possible the probable results of alternative lines of action. It is his job to help his students, or the farmers in his state or county, think through the problems with which they are confronted and reach their own decisions as to what they think should be done.

It seems to me that the activity of an educator, whether in a classroom or a farm meeting, should be largely confined, at least at the outset of a policy discussion, to the presentation of facts and analyses, including analyses of the probable results of alternative lines of action. With the facts and analyses before him, it is up to the individual student or farmer to make up his own mind as to what he thinks should be done. Making up one's mind involves not only consideration of the facts relating to the existing situation and the probable long-run economic effects of alternative lines of action, but a personal evaluation of alternatives including value judgments as to which alternatives are "good," "bad," "fair," "just" etc. It does not seem to me that it is the educator's business to try to impose his personal views as to what is "good," "bad," "fair," or "just" on others.

This does not mean that the educator should be a "mugwump" or have no definite convictions of his own. Like any other citizen in a democracy he has definite responsibilities in this direction and should feel free to express his personal views which involve both his beliefs as to "what is" and his beliefs as to "what ought to be." In my opinion, however, he should carefully distinguish between his personal views and his job as analyst and educator. His job, as I see it, is to try to develop understanding on the part of the group with which he is working so that they may more intelligently arrive at their own views as to what constitutes desirable action. Realistically, he has got to be willing to express his personal views when requested to do

so, and I see no reason why he should not volunteer them providing he makes it clear they are his personal views and that he is not trying to impose them on anyone else.

There is another point I think is worth keeping in mind. Specialists in a particular field, including economists, are likely to over-emphasize the importance of their particular subject matter. It is true that in the broad field of public policy, economic questions are involved. On the other hand, economic considerations are not the only ones we take into account in reaching decisions on either personal or public questions. In the field of public policy, for example, the possible effect of changing institutional arrangements on the freedom of the individual, the probable social consequences of a particular policy, and other considerations also have to be weighed. The economist who feels a sense of disappointment when decisions are reached that do not place above all else the purely economic aspects of a problem is likely to find himself frustrated and disappointed.

So much for the nature of public policy and some of the considerations which to me seem important in trying to do educational work in this field. Let me turn now to one or two points which Professors Jesness and Cowden made relating to policy formation. Professor Jesness said that policy making is an evolutionary process. It seems to me important to keep this in mind. We are not dealing with something which is static but with something which is dynamic. In a democracy the people reserve the right to change institutional arrangements to meet changing conditions. The problem is to make changes that are in the best interests of society in the long run. The role of the educator is to help develop a better understanding of the probable long-run effects of alternative proposals in order that we may make as sound decisions as possible concerning institutional changes to meet changing conditions. Our role as educators is to point out the probable results of proposed changes; not to try to stop the process of change. As a practical matter, there is little prospect of the latter even if we were so minded.

Professor Cowden made the point that the process of policy formation, whether in a farm organization or in Congress, is essentially a matter of compromise. There eventually must be sufficient agreement to permit taking action of some sort. Those of us in academic circles who are not confronted with the practical day to day necessity of getting action of some kind on public questions need to keep this in mind. We also need to keep in mind Professor Cowden's statement that because we as individuals might act somewhat differently than a national farm organization or Congress in a given situation, it does not follow that either the farm organization or Congress are necessarily wrong nor that their actions are insincere.

Shifting now to price and income proposals in agriculture, there are two types of considerations which constantly keep coming to the forefront. First, what objectives are we seeking in connection with our farm price and income programs? In other words, what are the ends sought? Secondly, how do we propose to reach these ends? What means are appropriate for reaching them?

Let me raise two or three specific questions relating to objectives or ends and the methods or means proposed for reaching them: First, are we trying to develop a food and agriculture policy for the United States or are we trying to develop an income policy for the farmers of the United States? There is an important difference between the two. Presumably, a food and agriculture policy for the United States would

involve broader considerations than a policy concerned only with an income policy for United States farmers. Which of the two are we aiming at with our present agricultural policies?

Another question pertaining to objectives: Are we concerned with the income problem of all farm families or are we concerned with particular groups of farmers as defined by the Federal Census? The answer to this question has some very important implications both from the standpoint of objectives and the means appropriate to reaching those objectives. Are our present price and income programs designed primarily to assist "commercial" farmers or are they intended to include subsistence farmers, rural residents and part-time farmers? If we are trying to improve the incomes of all farmers are the means we are using or that have been proposed appropriate to the ends sought?

Let us assume for the moment that our present farm price and income programs are primarily intended to maintain or improve the incomes of "commercial" farmers. Is our objective a minimum level income taking into account the ups and downs of the general price level or is our objective something more than this? If it is more than this, how much more? Stated another way, is our primary objective to protect farmers against the vagaries of the business cycle or is it to guarantee a high level of income at all times. If the latter, how high a level of income is to be guaranteed? Suppose we should undertake direct diet subsidies in order to provide a minimum diet for everyone at all times. Under such circumstances would farmers be willing to let the market fix prices or do they want something more by way of price and income guarantees? Assuming everyone has a good diet, do farmers want not only to produce the requirements for such a diet but additional amounts for which they want guaranteed prices at favorable levels?

These are only a few of the questions relating to agricultural policy objectives (ends) which seem to me to be important.

What about ways and means of reaching these objectives? Let us assume that a satisfactory level of real farm income is the major policy objective. Real income is determined by net dollar income on the one hand and prices paid for goods and services on the other. One possibility, at least theoretically, of improving the real incomes of farm families is to try to prevent practices in the nonfarm sectors of the economy that result in unnecessarily high prices for the goods and services farmers buy. One can argue that such an approach is not likely to solve the "farm problem" and with this I would agree. On the other hand, it seems to me that prevention by government of monopolistic or other practices which unduly enhance prices paid by all groups of consumers, including farmers, is one appropriate means of working toward the goal of improving real farm incomes and that it should not be overlooked.

Net dollar income per farm family is, of course, the difference between gross dollar income and operating expenses. Another possibility of improving the real incomes of farm families is to work on the operating expense side of the net income problem. Traditionally, of course, this has been the primary approach taken by the Land Grant colleges, particularly in their farm management work. We have emphasized the importance of size of business, rates of production, labor efficiency and other factors as a means of reducing unit costs and increasing the net dollar incomes of farm families. Again one can argue that in a period such as the early 1930's this

approach is not likely to solve the farm problem. I would again agree but I would also emphasize that we ought not to overlook this approach as one means of improving the real incomes of individual farm families even in periods of depression.

Let us now assume that we are going to place major emphasis on increasing gross farm income per family as a means of increasing real incomes. One way of doing this is to reduce the number of families in agriculture which share in gross national farm income. When I say reduce the number of families in agriculture, I am not thinking of liquidating them in the Russian sense but of facilitating in various ways the transfer of rural young people into nonfarm occupations. If we have a substantially larger number of persons engaged in agriculture than are needed to produce our national food and fiber requirements, including exports, then the most direct approach to the income problem of farm families at or below the margin is to try to reduce the number of persons depending upon farming for a living. Perhaps the most important factor affecting the transfer of people out of agriculture is the number of nonfarm job opportunities that are available. This, in turn, is closely related to the level and stability of business activity in the nonfarm sectors of the economy. To the extent we can reduce instability through monetary-fiscal or other general measures we shall have taken a long step toward keeping a better balance between the number of persons engaged in agriculture and the number needed to produce our national food and fiber requirements. Other steps that might be taken to facilitate population transfers include education, improved employment services, better health and nutrition etc. Monopolistic practices of certain professional groups and labor unions might also bear investigation.

If we move to the other side of the fraction "Gross national farm income" and Farm population

say we are going to try to do something about gross national farm income, additional questions arise. For example, is it better to make direct income payments and let the market operate to determine prices or is it better to operate through price supports? Another alternative is to try to do something about the demand side of the market. In this connection, would dietary subsidies be better in the long-run than price supports from the standpoint of the national economy?

I think there is no point in my spending more time raising questions of this sort. In closing, I would like to leave with you the two questions that I raised sometime back: What objectives are we seeking in connection with our farm price and income programs? In other words, what are the ends sought? Secondly, how do we propose to reach these ends? Stated another way, what means are appropriate to reaching the ends sought?

One last point and then I am through. It seems to me there are two requirements for successful extension work in any field. First, one must be firmly grounded in the subject matter with which he is dealing. Second, he must have and use teaching techniques suited to the subject matter he is trying to teach and the objectives he is trying to reach. Yesterday was devoted to a discussion of subject matter relating to agricultural price and income policies and programs. We are to continue that discussion this morning. This afternoon and tomorrow morning we are to have demonstrations and discussions relating to teaching techniques. I am looking forward to our sessions this afternoon and tomorrow morning with a great deal of interest. Teaching techniques are always important but particularly so in a field such as public

policy where one is dealing with issues that are by their very nature highly controversial. May I suggest that the importance of sound extension techniques increases as farmers' tempers shorten which in turn is related to the "disparity" between prices received and paid by farmers. Because we have extension teaching methods which are working satisfactorily now when farm incomes are still relatively high, it does not follow that we have methods that will continue to work satisfactorily if farm prices should decline, say, another 25 or 30 percent with only a modest decline in costs. I should like to urge that we keep this in mind and not only strive to catch up with the vanguard of our fellow workers who are doing excellent work in this important field but try to push ahead and improve, if we can, the best extension teaching methods we now have in this field.

Theodore W. Schultz

As a basis for analyzing current income and price policies as expressed in Federal legislature action and proposed programs, Dr. Schultz presented the following outline setting forth four possible public policy objectives pertaining to agriculture to serve as a basis for discussion:

Policy Objectives	Dimish poverty within agriculture.	Safeguard agriculture in the event of mass unemployment.	Avoid the occurrence of a depression.	Increase incomes of farmers during periods of full employment.
Which are the policy objectives of				
1) Act of 1949	No	Yes, but confused	Not indicated	Yes
2) Brannan Plan	No	Yes, but confused	Yes	Yes
Means provided				
1) Act of 1949	None	Hold prices up by restricting output, dumping abroad, diverting products in domestic markets, and by the use of public funds.	Hold prices up by restricting output, dumping abroad, diverting products in domestic markets, and by the use of public funds.	Hold prices up by restricting output, dumping abroad, diverting products in domestic markets, and by the use of public funds.
2) Brannan Plan	None	Let prices clear market with transfer of public funds to farmers and with restriction of output.	Let prices clear market with transfer of public funds to farmers and with restriction of output.	Let prices clear market with transfer of public funds to farmers and with restriction of output.

Appropriate Means	Increase output per head by use of better techniques, more capital, more nearly optimum scale in production.	By supplementary income payments, for example, compensatory payments.	None	By improving the efficiency -- better techniques, better combination of outputs, etc.
	Use of welfare grants.	Not by holding up prices or by transferring income to farmers in accordance with the volume of their sales.	Forward prices	Not by holding prices above clearing level or by transferring income to farmers or by restricting production.
Appraisal of 1) Act of 1949	By passed	Not appropriate	Properly left out	Not appropriate
2) Brannan Plan	By passed	Essentially appropriate provided . . .	Not appropriate	Not appropriate
Do our values support objectives listed above? Society Your's Mine	Yes, but confused ? Yes	Yes, but confused ? Yes	Confused ? Yes	Yes, but confused ? Yes, -- but

DEVELOPING DISCUSSION GROUPS FOR FARM POLICY EDUCATION

Dan C. Dvoracek

The following is an outline of the procedure used in developing group discussion of farm policy issues in Minnesota:

I. Situation.

Broad economic problems having to do with domestic and world affairs still make the front page headlines of our newspapers, and furnish subjects for radio commentators. Over three years since V-J Day, but the world is still troubled in its attempts at negotiating a sound basis for a permanent peace. In fact, such a peace seems more remote than it was a year ago.

What is our stake in world peace? Is it to our interest to help foreign nations get back on their feet and able to help themselves? What about our tax burden? Should United States farmers continue abundant production? Can the United States avoid accepting leadership among the nations in their quest for peace? What are our individual responsibilities and interests? How can we better discharge our responsibilities as citizens of the U.S.A.? How can we all have more?

National policy results from public opinion. Group discussions offer an opportunity for men and women to exchange ideas, secure information and evaluate those ideas by critical thinking and questioning, thereby developing sounder public opinion, and hence influence national policy. Everyone in the United States has the right to know, to question, and to seek understanding. Our very existence as a democratic republic depends on intelligently participating citizenship. To help in such participation more generally, people must be encouraged to take part in, and to lead discussions.

"Let's talk it over, neighbor" should be a general practice.

II. Objectives

1. To foster a clearer appreciation of democracy through the freer exchange of ideas on broad economic relations among people, interest groups, states, and nations.
2. To encourage clearer, courageous thinking, resulting from talking over factual data that will result in a better understanding of our business and social relations.
3. To encourage and to train people to say what they think about current problems in small groups, and so become better prepared to take part in larger groups, and assume broader responsibilities.

4. To train leaders to encourage others to express their ideas and to train themselves in taking part in discussion and action.
5. To give out factual economic information to be discussed and used in intelligent, constructive action. Understanding will encourage people to do more of what they already know should be done.
6. To encourage the free discussion and clear understanding among as many people of the state as possible on broad topics as well as more nearly local problems.
7. To encourage people to take more interest in public affairs.

III. Project Plans For Minnesota

Attention will be given to leader training through special training meetings.

District meetings will be limited to six, - two in each supervisor's district to allow more time for the specialist to help with meetings at county and local levels. The district group of counties for 1948-49 will center about some of the following meeting places: Lewiston or Winona, Dodge Center, Granite Falls, St. Cloud, Mora, Duluth, Fergus Falls, Crookston or Thief River Falls, and Bemidji. Each county will be represented by the county agricultural agent, home demonstration agent, and four or more carefully selected men and/or women leaders to insure an average attendance at district meetings of not less than 25. Four meetings will be held in each district beginning at 10:30 a.m. and continuing until 3:30 p. m. These meetings are planned for the months of November, December, January, February and March. A preliminary meeting is planned for each district in addition to the four regular meetings, to select the four topics for discussion, to demonstrate discussion technique, and to make plans for more intensive work in those counties especially interested. This meeting will be held as early as farm work permits.

County training meetings for local leaders, two from each local organization or interested group, should be held in each county as soon after each district meeting as is possible. Local leaders and county agricultural and home demonstration agents who attended the district meeting will be in charge, leading discussion individually or as a panel. The purpose of this meeting is to train local leaders to lead more local community meetings in the discussion of selected topics. Local leaders in turn will report on the county meeting at their next local meeting or lead a discussion.

Single county meetings on how to lead a discussion as well as to discuss topics will be offered individual counties. These meetings will be held in the afternoon and/or evening. Two leaders, - a man and a woman, selected by each local group, are suggested as the basis of a county meeting. Such meetings should help leaders make more use of program material prepared for them by the Extension Division of the University of Minnesota.

Three special leader training meetings - not more than one for each supervisor's district - are being planned. These meetings should be held in early fall. Additional specialist help will be available for county and local discussion meetings.

Application for the discussion project, on the district basis, should be filed by October 1. Requests for single county meetings should be made well in advance of date requested.

IV. Suggested Topics for Discussion

Topics or problems for the discussion will be selected at the preliminary training meeting.

Suggested topics are:

1. What Sort of Long Range Farm Program Should We Have? (Ag. Act of 1948)
2. Should Our Rural School System Be Reorganized?
3. What is the Agricultural Outlook for 1949?
4. What Does E.R.P. Mean to the U.S.?
5. What Are Some Current Tax Problems?
6. How Can We All Have More?
7. How Large Should A Farm Be?

V. Responsibilities

1. Specialist

- a. Assemble and prepare adequate reference material for county extension agents and local leaders.
 - (1) Questions and answers on selected topics
 - (2) Bulletins
- b. Hold training meetings on how to lead discussions.
- c. Lead discussion of topics, selected by group, at regular meetings of district series, or at single county meetings.
- d. Advise with and help county extension agents train local leaders within the county to carry back discussions more generally to local communities.

2. County Agricultural and/or Home Demonstration Agent

- a. See that group discussions are considered by local groups in planning county program. Assume responsibility for the organization of the project in the county and its successful functioning.
- b. Assist in selection of leaders.
 - (1) Four or more leaders (called district leaders), men and women, to attend district meetings, with alternates.
 - (2) Two local leaders from each local group for county meeting.
 - (3) Explain qualifications of local leaders.
- c. Secure assurance of interest and desire of leaders to attend district and county meetings before definite selection.
- d. Send in application for district project before October 1.

- e. Make necessary arrangements for district meeting when held in county.
- f. Attend district discussion meetings.
- g. Arrange for transportation to district meeting.
- h. Arrange for county leader training meetings following each district meeting, using district leaders as a committee to organize the project in the county.
- i. Arrange for county leader training meeting if not a part of a district.
- j. Secure reports on local meetings held or led by district and local leaders.
- k. Arrange to have local groups ask district or local leaders to lead discussions at their meetings.
- l. Supply leadership in discussion project in county.

3. District Discussion Leaders (at least 4 per county)

- a. Attend all district discussion meetings in series.
- b. Assist county extension agents in leader training meetings.
- c. Report on district discussion meeting to local group.
- d. Lead discussion of topics discussed at district meetings as well as other topics in local meetings whenever and wherever possible.

4. Local Discussion Leaders (2 per local group)

- a. Attend and take part in leader training meetings.
- b. Lead their own local group in discussion of topics used at training meeting or one selected especially for local meeting.
- c. Lead other local groups in discussion on request.

VI. Requirements

1. District
 - a. Four or more local men and women leaders (district leaders) carefully selected from each county to insure a district group of not less than an average of 25.
 - b. Application for project filed by October 1.
2. Single County Discussion Meeting
 - a. Two local leaders, a man and a woman, for each local group in the county.

VII. Selection of Local and District Leaders

1. Qualifications desired for leadership ("You can't expect to have everything.")

a. Background

- (1) Broad knowledge from extensive reading
- (2) Natural or inherent ability and poise
- (3) Public experience
- (4) Attitudes - Broadminded, fair, tolerant, patient, sincere, public spirited, good natured, sense of humor.

b. Balanced interest in public affairs

c. Local respect or prestige

2. Selection by Group Is Democratic

a. Group must understand qualifications for leadership

b. Fixes responsibility to group for

- (1) Regular attendance at training meeting
- (2) Leadership of group in discussion
- (3) Place of program of local meeting for local discussion leader

3. Women Leaders

a. More women should be encouraged to serve as local and district leaders than they were in the past.

In conclusion I should like to make a few observations based upon our experience. I prefer to present a policy topic in an entirely informal discussion group which must be small, a limit of perhaps 40. I present an opening statement to orient their thinking to Agricultural Policy and summarize briefly, for example, the history of support prices and farm programs and the need for them. I believe that the support price program is justified for agriculture on a sound basis as a stop loss or insurance device against serious losses but not as a guarantee of some fixed levels which will usually be a rather high level and I prefer to use questions or direct statements which they can agree or disagree upon. I aim to use the discussion method throughout, after the opening statement. I use the discussion method almost exclusively because I feel that an exchange of ideas helps to clarify the picture in the minds of those in the audience. In other words, understanding is more than repeating words. I encourage disagreement, if it is honest. I meet it not by disagreement, but rather by raising questions trying to bring to them two angles of vision that may clarify their thinking if they are wrong. Lack of understanding is the common reason for disagreement.

I believe the county agricultural agents and local leaders can be trained to lead discussions on economic problems, such as agricultural policy. They need to be carefully selected, however, for native ability, sound judgment, interest, and general reading - well rounded information as well as personality that goes with leading discussions. Too many agents are still lacking in economic background. It is a basic weakness. The question can be raised whether the county agents should be trained separately. It was done in this State a number of years ago when various specialists in the Division of Agricultural Economics led district meetings of county agents in a

discussion on current economic problems. Consideration is being given to reviving this method of training county agents. More attention and thought needs to be given in developing more suitable material for use in extension work in agricultural policy.

DISCUSSION OF THE PRESENTATION OF INFORMATION ON OLD AGE AND SURVIVORS INSURANCE

J. B. Kohlmeyer

This is supposed to be a demonstration of an extension meeting at the county level where the subject being considered is that of old age and survivors insurance. I am handing out to each of you a copy of mimeographed material that we use in our county meetings.* You will note that most of the material has nothing to do with old age and survivors insurance.

In our state the farm people are not familiar with old age and survivors insurance. Neither do they appear to be very much concerned about it. We have had no requests for extension schools on the subject. Yet we are doing some educational work in this area in county meetings.

In the main, the technique we employ is that of injecting some of the factual material about old age and survivors insurance into some of our county meetings. I believe we have spent not more than fifteen to twenty minutes in any one meeting discussing the subject. In some of them, we do not even get to it. In other words, old age and survivors insurance is never scheduled as the feature event. We anticipate that the limited amount of factual material presented will create a demand for a more detailed analysis and consideration at a later date. As a matter of fact, much of the interest and demand that we have for additional meetings in the field of public policy was developed in just this fashion.

On several occasions I have heard extension specialists raise the question of how you get the administrative "go" sign. We have no problem along that line. When it comes to doing extension work in the field of public policy----administratively the gate is wide open. However, that is no assurance that you will be able to do any business----the problem with us is how to get the ball rolling on the receiving end of the line.

In our state, as well as in yours, each extension specialist is engaged in a highly competitive business. He is in competition with specialists from other subject matter departments and with those from his own department. Sometimes a specialist even offers competing subjects. In this kind of a set-up, old age and survivors insurance gets no takers. It is not even offered.

Each year at district conferences we familiarize county agents with the material that is available from our department. We go into considerable detail with them.

*11 pages mimeographed. Omitted from this report.

They know just about what we will include in our discussions which places them in a good position to discuss our subject matter with their extension committees.

There is a demand for such subjects as Outlook, Farm Management, Price and Income Programs for Agriculture, Cost of State and Local Government, Marketing, and so forth.

Old Age and Survivors Insurance can be fitted very nicely into a subject such as Price and Income Programs for Agriculture and into Costs of State and Local Government. Since most of our meetings in this area are of the discussion type, we do not always get around to old age and survivors insurance, but sometimes we do.

In most of our State and Local Government meetings, there is considerable interest in welfare costs and how welfare is financed. Fifteen cents of the state tax dollar goes for welfare purposes; twice as much is spent by the county for welfare as is spent for roads (Figure 4, B. Page 2). In some counties more than one-third of the population 65 years old and over receive old age assistance, (Figure 9, Page 9). At the same time the number of individuals receiving old age and survivors insurance in the state is about 20% greater than the number of those receiving old age assistance (Table 10, Page 10).

Many times the people in our audience are surprised to learn that a higher percentage of the population in some of the good agricultural counties of the state receive old age assistance than in some of the nearby industrial areas (see Benton, Carroll, Clinton, Fulton, Steuben counties). In the self-sufficing farming areas the percentage is often much higher (note Perry, Crawford, Switzerland).

In our state the facts clearly indicate that the problem of providing for individuals in their old age is not peculiar to industrial workers. While many farmers do an excellent job of providing for old age "on their own"----some are unable to do so.

In some of our meetings the discussion naturally gravitates to the question of how social security programs, such as old age assistance, aid to dependent children, old age and survivors insurance, and so forth operate. We provide them with this information when it is requested and the summary of material we give them is included on Pages 10 and 11 of the mimeographed material.

As a consequence, interest is frequently displayed in the desirability of making a more thorough analysis of old age and survivors insurance before a yes or no answer is given to the question of whether old age and survivors insurance should be extended to farm operators and to farm laborers.

During the discussion yesterday and this morning some extension workers expressed concern about the danger of being branded as being for or against a certain program. This is a matter of concern to all of us and we always run that risk because in the field of public policy there are many controversial issues. We try to get the different issues out in the open and try to analyze the consequence of various proposals. We also try to discuss several different subjects at the same meeting. In our State and Local Government meeting, the discussion usually hinges around such subjects as schools, roads, and welfare. This variety reduces the chances of your being accused of trying to sell a bill of goods. Should there be an individual who disagrees

with your factual information and analysis along one line the chances are that he will agree with you along some other line.

I make it a practice of concluding my discussions by stating that there are usually three sides to every question----your side--my side--and the right side. After all, government is a compromise of many honest and sincere differences of opinion. Usually the more facts available the more intelligent the compromise.

SURVEY OF ACTIVITIES
CONCERNING
EDUCATIONAL WORK ON PUBLIC POLICY PROBLEMS
by the
LAND-GRANT COLLEGES AND STATE EXTENSION SERVICES

L. M. Vaughan

At the first meeting (July 1949) of the National Committee on Agricultural Policy it was suggested that a survey be made of the present status of policy work in the States. A subcommittee was appointed to give the matter further consideration. Tyrus R. Timm, Texas, was named chairman of the sub-committee, and G. W. Forster, North Carolina and R. B. Tootell, Montana were named as the other members. H. C. M. Case, Illinois was asked to serve ex officio on the committee and L. M. Vaughan, U.S D A. was requested to assist in making the survey.

In September 1949 a letter was sent by Mr. Vaughan to one person in each State. Members of the national committee and others known to be working on public policy problems served as the correspondents in most cases. Information was requested on the following:

Studies under way to provide factual material for educational work on public policy problems.

College courses designated as courses in public policy.

Extension activities in the field of public policy.

An appraisal of experiences in connection with any of the above public policy work.

A report on the findings of this survey was made to the conference by L. M. Vaughan and a summary of Mr. Vaughan's remarks is presented here as a part of the proceedings of the conference to illustrate the type of work under way in the States and to serve as a guide in considering further work needed in the field of public policy.

The scope of work covered in the replies to this survey varied considerably from State to State. It was undoubtedly influenced by the particular responsibility of

the person preparing the reply. The correspondents represented both administration and subject matter. The majority were in agricultural economics, and the replies reflect that background. In general, however, the agricultural economists are assuming the subject matter leadership for research, teaching, and extension work on policy issues concerning farmers, - in regard to prices, taxation, land use, foreign trade, social security, health facilities, schools, roads, local Government, and other similar issues.

I. RESEARCH STUDIES

Research studies in the field of public policy fall into two major types:

1. Studies which are concerned with building a foundation of fact for use in the formation of public policy.
2. Studies which are concerned with an analysis of public policies and their implications to farm people and the public.

It is difficult to classify research which might qualify as "factual data for policy formation." You never know just when policy questions may arise, and what data may become significant for such purposes. This point of view was well illustrated in the report from New York, as follows:

"It is difficult to furnish information on a list of studies that provide factual material for educational work on public policy problems because almost any research project has policy implications. For example, the recent Report of the New York Milk Price Committee definitely deals with a public problem and policy alternatives relating thereto. The findings of this committee are based largely on research carried on at Cornell and adjoining States over a period of years. Should marketing and farm management research be considered as public policy studies? I am assuming not unless the findings have been definitely used in formulating policy. However, much research work in marketing, land use, prices, local Government, taxation, and farm finance has been and is being carried on which has definite policy implications and which has been used frequently in connection with policy problems."

Because of this situation it is difficult to know where to "draw the line" in listing studies that might be considered basic to public policy work. A number of studies, however, are obviously made in anticipation of their need for policy purposes. Examples are given below for two States. These studies cover a wide variety of material, mostly of a State and local nature. They are representative of similar studies listed by other States.

Montana	<ul style="list-style-type: none">- Trends in Montana County Finances- Montana's Tax System- Montana's Personal Income Taxation- Fiscal Policies of Montana Counties
---------	---

- County Manager System in Montana
- Land Classification for Tax Purposes
- Pricing Policy of Milk Control Boards
- Operation and Finance of Grazing Districts
- Hospital Program Studies
- School Surveys.

Vermont

- Land Utilization as a Basis of Rural Economic Organization
- Development and Financing of Local Governmental Institutions
- An Economic Study of Local Government
- The People and Their Use of Land
- Town Governmental Costs and Taxes
- Summer Resident Migration Into an Old Agricultural Area
- Reports of Boston and New York Milkshed Price Committee
- Problems in Milk Price Regulation.

It is perhaps not wise or necessary to make a distinction between the type of research just described and that which is more specifically concerned with an analysis and appraisal of existing public policies. The difference in some instances is not great. The objective in both is to improve public policy. Some examples of specific studies on the functioning of public policy are given below for three States:

California

- Evolution of American Agriculture Policy
- Broadening Existing Marketing Agreement Legislation
- Long-Run Effects of Price-Maintenance Policy for Agricultural Products
- The Status of Present Price-Support Commitments
- Suggestions Regarding Modification of the Parity Price Formula
- The Federal Budget
- Agricultural Price-Support Legislation
- Stabilization of Farm Prices.

Iowa

- Economic Effects of Agricultural Programs
- Agricultural Price Policy - To establish the research basis for an economically sound price policy for U. S. agriculture.

Michigan

- Reducing Instability of Market Prices for Michigan Farm Products
- International Developments Affecting Agriculture
- An Analysis of the Reciprocal Trade Agreement Program in Relation to Agriculture
- An Analysis of the Relationship of Canadian-American Agricultural Prices.

There is a third type of background for an educational program which is worthy of special mention. It seldom becomes recorded as research. It is the current and timely analysis of public issues, - which requires bringing together available

information, interpreting it, and releasing it quickly. These timely appraisals of public issues serve as a guide to extension workers and farm leaders generally. They fill a need that cannot be met by the usual releases from research studies. This type of background is described below by the lists of subjects covered in releases from two States:

Tennessee

- What are desirable provisions in soil conservation regulations? Monographs 28, 59, 98.
- Is industrial development in rural areas desirable? Volume V, No. 3, Extension Series.
- What should be the public policy regarding the development of certain land areas in Tennessee? Monographs 114, 109, 102, 123, 177, 194, 196, 179, 1, 2, 3, 4, 7, 8, 10, 11, 13,
- Is it feasible to relocate farmers displaced by T.V.A. reservoirs on nearby lands? Monographs 131, 146, 147, 150, 154, and 156.
- Is municipal action needed to improve the wholesale produce market in Knoxville? Monographs 118 and 120.
- Should regulations be changed regarding marketing of livestock? Monograph 207.
- Is Government action needed to improve farming conditions? Monographs 26, 181, and 111.
- Is additional farm credit needed? Monographs 82, 178, 94, 136, and 149.
- How can county Governments be made more efficient? Monographs 151, 9, 86, and 145.
- How may Government crop insurance be improved? Monographs 197, 198, and 202.
- Are changes needed in taxation and inheritance laws? Monographs 53, Volume VIII, No. 1, Extension Series.

Wisconsin

- Printed analysis of public policy questions appearing in the monthly publication "Economic Information for Wisconsin Farmers."
- November 1933 - Production Control of Dairy Products
- January 1934 - Reduced Production or Foreign Markets
- April 1935 - Do We Need a Dairy Program?
- February 1936 - Our Foreign Trade in Farm Products
- July 1936 - Our Foreign Trade in Farm Products
- February 1938 - How do Exports and Imports Affect Agriculture?
- April 1938 - The Farm Program and Wisconsin Dairying
- July 1938 - What Does the Ever-Normal Granary Mean to Wisconsin?
- December 1938 - Reciprocal Trade Agreements and Wisconsin Dairying
- January 1939 - What About Stabilization of Butter Prices?

- February 1939 - Stabilizing Dairy Prices
- May 1939 - Parity Prices
- January 1940 - Can Agriculture Adjust Production ?
- February 1940 - Increasing Farm Income
- March 1940 - Can Farm Income be Increased by Shutting Out Imports ?
- April 1940 - Increasing Farm Income by Exporting More Farm Products
- May-June 1940 - Increasing Farm Income by Higher Prices to Consumers
- July 1940 - Farmers' Share of the National Income
- September 1940 - Increasing Farm Income by Government Payments
- October 1940 - Increasing Farm Income
- November 1940 - Why Farm Income Has Gone Up and Down
- February 1941 - Production Control - Industry and Agriculture
- May-June 1941 - Ware and Agriculture
- August 1941 - Agriculture After the War
- November 1941 - Fats and Oils in War-Time
- January 1942 - Will War-Time Farm Prices Bring a Bigger Mortgage Debt ?
- February 1942 - Low Income Farms Add Little to Total Farm Production
- May 1942 - Fight Inflation - Prevent Rising Cost of Living
- August 1942 - The Land Boom of World War II
- November 1943 - War-Time Crop Acreage Changes and Goals for 1944
- January 1944 - Back to the Land After the War ?
- March 1944 - War and The Dairy Industry in Wisconsin
- August 1944 - Problems Facing the Dairy Industry After the War
- November 1944 - Trends in Wisconsin Agriculture
- September 1945 - Problems Facing Dairymen - More Feed, More Milk
- October 1945 - Problems Facing Dairymen - More Nonfat Milk Solids
- November 1945 - Support Prices - What? Why?
- December 1945 - Support Prices - Where and How?
- August 1947 - Reduce Cost of Production - Meet Lower Milk Prices
- December 1947 - State vs. National Farm Parity
- May-June 1948 - National Agricultural Policy
- July 1948 - Are Present Land Values Too High ?
- February 1949 - Support Prices - How High ?
- March 1949 - E. C. A. and European Agriculture.
- May 1949 - The New Farm Program Proposals.

II. COLLEGE COURSES

Education in public policy at the Land-Grant Colleges consists of:

1. Considering public policy issues in connection with courses in land economics, taxation, prices, marketing, etc.
2. Giving special courses devoted entirely to agricultural policy and public problems.
3. Providing opportunity for agricultural students to take public policy courses in the Economics Departments, Schools of Public Administration, etc.

No attempt will be made to refer to the long list of courses that might be made if all those were included which consider public policy issues as a part of the course. In total, however, this form of instruction may represent the most important type of public policy training given to students. It is practical in nature, and helps to illustrate the extent to which most agricultural matters are dependent upon public policy in one form or another.

Courses specifically cataloged as agricultural policy or public problems courses are offered in about 38 States as a part of the College of Agriculture curricula. In general, the States indicating that no special courses were given are those with small teaching staffs in agricultural economics. A total of about 66 different courses are offered, most of which carry the title of "agricultural policy." These courses are divided fairly equally between those designed for undergraduates, those available to graduates only, and those which are offered to both graduates and undergraduates.

Most of the States offering instruction in agricultural policy have arranged for one or two courses in this field of work. Two States offer four or more courses, but they are primarily for graduate students. A brief description of the courses for these two States is given below to illustrate the type of instruction available:

Iowa

- Introduction to Agricultural Policy (juniors and seniors) - description of income and resource problems in American agriculture. Historical survey of Government programs and introductory evaluation of recent programs and policies.
- Economics of Agricultural Policy (graduates) - introduction to welfare economics; application of economic analysis to problems of policy formulation and appraisal; position of agriculture in the national economy; and past and proposed agricultural programs and policies.
- Agricultural Price Policy (graduates) - objectives of price policies, analysis and appraisals of programs designed to control agricultural prices by control production, market supplies, and domestic and foreign demand.
- Economic Analysis and Agricultural Policy (graduates) - nature and significance of economic analysis and policies; dynamic aspects of agricultural technology and resources,

. and competitive and planned adjustments.

Michigan - National Agricultural Policy (graduates and undergraduates) - historical and comparative study of Government policies at home and abroad, in relation to various types of agricultural economy.

- Current Problems (graduates) - discussion of current problems and their effects upon agriculture.
- Economic analysis and agricultural policy (graduates) - an analysis of current alternative proposals for attacking the economic problems of agriculture.
- Introduction to Economic Research - Research Methodology in Agricultural Policy (graduates) - the position of the economist in appraising questions in public policy and a review of research materials.
- International Competition in Agriculture (graduates) - an analysis of inter relationships of domestic and foreign price policies in relation to international competitive advantage.

An outline of the course given in Wisconsin will further illustrate the subject matter covered in these agricultural policy courses. This is a two-credit course for seniors and graduate students, entitled "Agricultural Policies" and is described as an analysis of governmental aids to agriculture in the United States and abroad.

I. Government aid to agriculture prior to World War I.

1. Land settlement.
2. Promotion of education, research, and extension.
3. Regulation of those with whom farmers dealt.
 - a. Interstate Commerce Act
 - b. Anti-trust Laws
 - c. Pure Food and Drug Act.

II. The Controversies of the Twenties.

1. The Farm Bloc
2. Joint Commission of Agricultural Inquiry
3. National Agricultural Conference
4. McNary-Haugen Bills
5. Export Debenture Proposals
6. Agricultural Marketing Act of 1929

III. The Agricultural Adjustment Acts

1. Limitation of Production
2. Marketing Quotas
3. Marketing Orders and Agreements
4. Price Floors
5. Operations of the C.C.C.
6. Promotion of Consumption
 - a. Direct Relief
 - b. Stamp Plan

- a. School Lunches
- d. Export Subsidies
- e. Diversion

IV. Post-War Agricultural Policy Reports.

- 1. Land-Grant Colleges Committee, 1944.
- 2. Colmer Committee, HR Report Number 2728, 79th Congress, 2nd Session, 1946.
- 3. U.S.D.A. Long-Range Agricultural Policy and Programs, 1947.
- 4. Report of Agricultural Committee of the Committee on Economic Development, 1945.
- 5. A Price Policy for Agriculture. Prize winning papers of the American Farm Economic Association, 1945.
- 6. Outline of a Price Policy for American Agriculture for the Post-War Period, Report of Committee of the American Economic Association, 1946.
- 7. Redefinition of Parity Price and Parity Income. Committee of American Farm Economic Association, 1947.

V. Current and Proposed Agricultural Policy Legislation.

VI. Price Supporting Policies in Foreign Countries with respect to-

- 1. Rubber
- 2. Sugar
- 3. Coffee

VII. International Commodity Agreements.

III. EXTENSION ACTIVITIES

Over a period of years the amount and quality of educational work done by the Extension service on public policy problems will depend on the research foundation available and the basic training given in college courses. At the same time, it is obvious that the scope of activities will be equally influenced by a point of view and attitude of mind as to the relative importance of this type of educational work.

Usually, educational work in the field of public policy becomes a natural part of the activities of a number of persons on the State extension staffs. For this reason it is difficult to say how much time is devoted to public policy matters. However, in practically all cases, the subject-matter leadership at State headquarters is being taken by agricultural economists. Consequently, it would be of interest to review the various ways in which this leadership by economists is being carried out.

There are about 24 States where extension work on public policy issues is a recognized part of the programs of extension economists. Major consideration is being given in 9 of these States, with one or more persons assigned practically full time to work of a public policy nature. In the other 15, policy work is carried as a

part-time assignment by several specialists on the staff. In total the work in some of these States may be greater than in some where a full-time specialist is assigned to the job.

In the other 24 States policy work is by no means absent, but it has not progressed to a point where it warrants status as a major extension activity. However, in 10 of these States considerable work is being done, often by the research and teaching staff. These States undoubtedly will expand this work rather rapidly in the near future. Only 14 States felt that they were not in a position to do very much at the present time. Even in many of these States, materials are being prepared for county agent use and some work is being done with key groups.

Comments were numerous in the State replies in regard to a lack of background for educational work in public policy. These two are typical:

"What we would need to have for an expanded educational program in public policy would be a greater assembling of data and facts bearing on policy questions. Our extension folks would also need training in this field. They are inclined to shy away from it unless they have had some training and have the proper 'tools' to support them."

"Our biggest weakness is that we have not accomplished much in the field of training leaders to discuss these policies. I have been on the program a number of times at our Annual Extension Conference as well as at some of our group extension conferences where I have tried to give our people some background information that would be helpful to them when they attempt to lead discussions on public policy. Most of our workers at the present time, however, are reluctant to try a discussion on one of these issues without some help from the specialist staff."

Most replies, however, indicated that real progress is being made even if it is only a beginning. The following quotation expresses a more optimistic point of view shared by many others:

"Although many Land-Grant Colleges have been reluctant to enter discussions of controversial issues, we have had gratifying experiences in that area. Although we are dealing with an intangible subject, the farm people have shown an intense interest. They have shown strong support in our discussion project and the repeated requests indicate a real interest in the speeches and written material."

"The greatest handicap has been the lack of personnel and funds to operate at the desired efficiency. These problems are being solved. As new men become available we are trying new approaches to the never-ending problem of the best way to get the material across to the average person. This will continue to be our greatest problem, but one on which we are continually working."

Some of the States were quite positive in expressing their feelings on what they thought were the most effective approaches. Such thoughts are conveyed in these quotations:

"It is my firm conviction that our most effective work is done in

connection with organized farm groups such as the general farm organizations, together with a number of the larger marketing and purchasing cooperatives in the State. We frequently sit with their executives and their various committees. We appear each year on the program of the annual meeting of a number of these associations."

"Probably the most effective way to do this work is to work with other agencies rather than through extension-sponsored groups. In view of this, public problems work must be done by a number of those on the State staff. In other words, those with the good working relationships with the particular organizations must do it. It would do little good, for example, to add a man to the staff and call him a public policy problems specialist. However, with the existing staff load now carried, some additional personnel should be added to prepare educational aids for use in the Extension Service."

Getting more specifically into the suggestions on how to handle material in the public policy field, there seems to be general agreement that some form of discussion technique should be used. These thoughts may be summed up as follows:

"..... The background of many leaders in Extension as well as the farmers whom we are reaching is lacking in an adequate knowledge of economics. This is a serious handicap. For attaining clearer understanding the most successful method, in my opinion, is the informal discussion method where the people are encouraged to raise questions and ask about things they do not understand, and where all sides possible are invited or presented. Discussion stimulates thinking and taking part. This is especially true in small groups."

"I believe the county agricultural agents can be trained to lead discussions on economic problems, such as agricultural policy. It is likewise true of selected local leaders. They need to be carefully selected, however, for native ability, sound judgment, interest, and general reading."

The following remarks from one State summarizes many of the points that have been mentioned and bring them into clearer focus. Because they are stated positively they make a good basis for further discussion:

"Briefly, our conclusions are as follows:

1. That the Land-Grant Colleges and universities and the Extension Service cannot maintain their position of leadership without dealing effectively with public policy questions.
2. That the issues discussed need to be carefully and realistically selected and have a relationship to the felt needs of the people in the State.
3. That the best approach, in my judgment, is through the agricultural planning process, which we have in operation in every county.
4. That in all controversial matters on which public opinion has not crystallized, and in most economic and social questions, it is best to

give both sides of the question consideration. In many cases the college and Extension Service can take a position as we did on the issue of cooperative marketing, and as we have done recently in the matter of social security for farm people.

5. That it is sometimes necessary to openly oppose the policies of those administering public programs. We did this in connection with one national farm program, which became a State-wide issue. In the end, it was realized that Extension opposition actually was a service to the administrators of the program and to the farmers of the State. Farmer's confidence in Extension was increased as a result, I think, but this was not a pleasant experience."

EDUCATIONAL MATERIALS

A wide variety of educational material has been prepared as background for county workers and local leaders; as aids for use with discussion groups; and as handouts for general distribution at farm meetings.

Probably the most widely used medium is the various "Farm Economic" regularly released publications. Many of the lead articles in recent years have been on policy matters. An example for Wisconsin is shown in the section on research studies. There are at least two-thirds of the States that put out such departmental and Extension economic publications regularly, and some States have several of them. A few of those which carry considerable information on policy are listed below:

Arkansas Agricultural Extension Economist.
Economic Facts for Idaho Farm Families.
Illinois Farm Economics.
Economics and Marketing Information (Indiana).
Farm Policy Forum (Iowa).
Louisiana Rural Economist.
Michigan Farm Economics.
Farm Business Notes (Minnesota).
Looking Ahead With Montana Farmers and Ranchers.
Nebraska Farm Business Notes.
Agricultural Hi-Lites (New Jersey).
Farm Economics (New York).
Economic Facts Series (Ohio).
Oklahoma Current Farm Economics.
Agricultural Situation and Outlook (Oregon).
Pennsylvania Farm Economics.
Economic Facts and Opinions (Texas).
Virginia Farm Economics.
Economic Information for Wisconsin Farmers.

A second important medium is the timely articles, reproduction of talks, and other currently prepared mimeographed materials. Examples of some of these are given below:

Agricultural Price Policy, by T. K. Cowden, Michigan State College-
A summary of a series of three discussions before the annual

conference of Michigan Extension workers - July 18-22, 1949.

The Brannan Plan vs. The Agricultural Act of 1949, by Theodore W. Schultz, University of Chicago - Talk before Annual Extension Conference, University of Missouri, Dec. 8, 1949.

New Farm Program - What It Is and How It Differs from Other Plans, by Stewart Johnson and George Brinegar, University of Connecticut, April 11, 1949.

The Influence of National Price Policy on New England Agriculture, by Wm. C. Weldon, Economist, H. P. Hood & Sons, Inc. - Talk before Third Rural Life Conference for Vermont Pastors, University of Vermont, Jan. 26, 1950.

The Importance of Agriculture in the Northeast and Some Problems As I See Them, by F. F. Hill, Cornell University - Talk before North-eastern Farm Bureaus, July 14, 1949.

Agricultural Policy Formation in a Democracy, by F. F. Hill, Cornell University - Digest of a talk before an Economic Conference for County Agricultural Agents, Dec. 19-20, 1949.

Public Policy Education in Agricultural Problems, by Clyde Mitchell, University of Nebraska, Jan. 9, 1950.

Relationship of Extension to National Policy Programs, by Wm. L. Teutsch, Oregon State College - Talk before Western Directors and Supervisors Conference, July 25-27, 1949.

A third medium is the special materials used in farm meetings to introduce factual background when needed, stimulate thinking, and guide discussion. The primary purpose of such meetings is to create interest, promote understanding, and get participation in the solution to public problems of a controversial nature. The following examples will illustrate the type of material being used:

Indiana - Set of discussion sheets on farm price supports - J. Carroll Bottum.
 - Illustrative material on Old Age and Survivor's Insurance - J. B. Kohlmeyer.

Massachusetts - "Set of discussion sheets on Farm Price Program" - Geo. W. Westcott.

Michigan - "Open Meetings on Agricultural Policy" series of discussion pamphlets - D. E. Hathaway, Arthur Mauch, and D. B. Varner.

Minnesota - Set of discussion sheets on prices, farm programs, foreign trade - D. B. Dvoracek.

New Jersey - "What's Your Opinion" - series of discussion leaflets

on controversial issues - Frank J. Beck.

Ohio - "Let's Discuss" - series of pamphlets on programs and problems pertaining to agriculture - Mervin G. Smith.

Pennsylvania - Discussion leaflets
 How To Lead Discussions
 The Individual's Role in a Democracy
 Agriculture and International Trade
 How Have Consumers Fared.

STATE EXTENSION PROGRAMS

A review of extension activities in agricultural policy for 15 States was included in the report of a conference held in Washington, D. C., June 1949, "Educational Work on Public Policy Problems and Their Relationship to Agriculture," Extension Service, U. S. D. A., 691(7-49). The summaries contained in that report adequately describe the historical development of the work, explain the current emphasis in their educational program, and discuss the training given to county workers and farm leaders.

PANEL ON TECHNIQUES AND METHODOLOGY

J. C. Bottum, Leader, Arthur Mauch, W. E. Ogg,
T. R. Timm, G. W. Westcott, and Paul Johnson.

ARTHUR MAUCH: This conference was opened by H. C. M. Case, who cited the objectives set forth in the report of the conference of extension workers in Washington in June 1949. Everyone in the field of policy should read that report. Let me emphasize two of these objectives which are "to develop in individuals (1) an active interest in public policy problems, and (2) a desire and ability to participate effectively in the solution of these problems."

Under Guiding Principles the report states, (1) "controversial issues will often be involved. Our task is not to suggest the solution of such issues but to present all of the circumstances to be taken into consideration in reaching decisions thereon; and (2) It should be recognized that the discussion of public policy issues involves not only scientific facts and principles but ethical choices as well."

Within the framework of these objectives and principles, what type of written materials are appropriate for education in public policy? Let's look at some of the alternatives:

- (1) State the problem and give the answers as you see them. That is a sure way to stir up antagonism -- even if by some chance you do have the right answer.

- (2) Set up alternative courses of action, analyze the probable results of each and let the readers make their own choices. This takes time in a meeting. Often you have only an hour to do the job. Critics will say that policy education should not be attempted unless ample time is provided. This depends on your objective -- whether you are attempting to lay the groundwork for an educational program, or whether you are expecting to wrap it up all in one package for immediate delivery.
- (3) You can discuss principles, only, and hope they will be applied where applicable. Certainly this is desirable -- but principles as such are dull and complicated. Even within the framework of a college classroom they must be made "palatable." How many local leaders would be able to "follow-up" in their communities?

In Michigan the type of material is varied with the occasion. It seems to us important to start where the people are, take full advantage of what there is to work with, and adjust to the environment.

We have several types of policy materials -- several means of handling policy education -- but there are two major publications. The first is "Michigan Farm Economics" a monthly publication which often includes public policy articles. Occasionally a complete supplement is issued on some phase of policy. The aim is to present facts, principles, and make analyses. We admit to some opinions and bias, but they are fairly carefully screened by an editorial committee -- and so far we have been able to avoid serious trouble. The mailing list includes about 10,000 farmers.

The publication that has attracted the most attention, both in and out of the state, is "Open Meetings on Agricultural Policy." The topics are chosen by the project staff (this is an RMA Project) after consulting with leaders of farm organizations and others. The topic is set up in the form of a major question which is divided into three or four sub questions with "yes" and "no" discussion. We do not take a "stand" on the issue but admit that it may be possible to detect our position by carefully noting the illustrations (in the form of cartoons) and the emphasis in the discussion. The pamphlet is supplemented by Michigan Farm Economics, radio, tape recordings, and news stories. Last year we published six issues, this year five, and next year plan for four issues. The decrease is not due to a waning interest. The main purpose of the pamphlet was to stimulate interest in policy. The next step is to conduct single meetings and schools for leaders where principles can be emphasized.

The pamphlets are distributed through county agents to all interested discussion groups -- primarily Farm Bureau, Grange, and Farmers' Union -- at leader training meetings. We are now printing 25,000 copies of each issue. It may conservatively be estimated that 15,000 families in Michigan take part in these local discussions conducted by the local leaders.

Requests for assistance in leader training and follow-up meetings are so numerous that they cannot be met by the three men working in this project.

It is important to interest and train the county agent in these broad problems.

Mimeograph material was presented and discussed for 2 hours each of 3 days at the Extension Summer School in 1949.

It takes courage to discuss "hot" issues and the experience is not always pleasant -- but so far has been gratifying. The people are interested, the college administration is sympathetic and helpful, the county agents are interested and willing, and real progress is being made. It is essential to remember that although "what you say" to the people is important, "how you say it" often means the difference between success and failure in public policy education.

W. E. OGG: I suppose you folks are aware that Iowa State College has never been troubled by a lack of self confidence. We have always thought that, although we were not the biggest land grant college, we were the best. But I had a revealing experience last night, I had supposed that our program in public policy was really the best. We knew they had a good program in Indiana and supposed that Michigan was just getting well started. I spent two hours last night with O. B. Varner and D. E. Hathaway and after considerable criticism I had to admit that they are probably getting a better job done than we are. They are reaching leaders but they are also reaching the rank and file. We have not made too much effort to reach the rank and file in Iowa.

There are a few things about this program in Michigan about which I should like to raise some questions. As I tell you about the way we go at public policy in Iowa, you may see contrasts between our approach and theirs. If the difference is not apparent, I shall try to indicate where they might improve a few things in the Michigan program when we get to the question period.

We have a very deep seated philosophy of doing adult educational work in this field. You will remember that we have a background in Iowa of having had at least one eruption over public policy. Since we want to stay in the business, we are conscious of the pitfalls in this area. That perhaps has made us a little more cautious. We try to go about it this way.

First, we try to ask people what they want from public policy. (Incidentally, we are beginning to use the term "public affairs" instead of public policy.) I have a strong conviction that there is pretty general agreement about the ends of public policy, especially the more ultimate ends. There is less agreement on means and on the intermediate ends.

Second, we try to analyze the means in terms of the information we have. We try to emphasize these two things: the alternative objectives of public policy and the means that are available to attain these objectives. We consider that our educational job on objectives is clarification. This is the area for discussion. On the means for attaining objectives, we think there is an important need for teaching. We think we should teach things that are in the nature of the facts that we have from economic and political analysis.

Now about the people we work with -- as I said earlier we have done very little with the rank and file. We have had a few experimental meetings with a cross section of our folks, but for the most part we have confined our efforts to our own county

extension staff people and lay leaders who have the responsibility now for formulating public policy. In addition we try to get at some young people who are promising -- young people who are likely to grow -- who may be officers in the farm organizations in the future or who may some day participate in politics.

How do we go about it with these leaders? We often have a dinner meeting for husbands and wives. We think this idea of having the man and wife is very important. We feel that some of this subject matter is too heavy to digest at once and we feel that a man and wife will talk these things over when they get home. In this way they often crystallize their own thinking and get more out of what we have tried to teach.

In these meetings we first try to start with a discussion of the objectives of public policy on the issue with which we are working. The matter of the analysis of the means is the place for teaching. Here is a place for facts, and, although our facts are limited, they should be furnished with all the material we can provide on the analysis of the means. Teaching to provide an understanding of principles is badly needed. First there is the whole problem of stability in the economy, the problem of aggregate demand. Then there is the matter of the function of the price system. People do not understand what is expected -- what the price system is expected to do in a free enterprise economy. We jump over all of the analytical process to get to our conclusions, and they do not understand these things. There is the whole problem of the responsibility for the depression. Then there is the current misunderstanding of the difference between peacetime demand in a fairly full employment economy and a depression. Because farm prices drop, people are inclined to think a depression has hit us. There are principles here that need to be understood. The principles should be taught.

Then we try to end with a discussion of the alternate means. After having tried to teach people what the consequences will be, we ask which of the means they want in light of what the consequences seem to be.

We have leader meetings twice a year on a district basis with about 1000 people. Then we have county training meetings. The other work we do is the kind of thing we work into the schedule on request as we have time for it. With our county staff the most significant thing we have done is a short course in the social sciences -- a three-day short course in which we tried to do a good deal in the way of exposing them to the field of the social sciences. In this short course we divided the time half and half between presentation and discussion.

We also provide in-service training for our county extension staff in district extension conferences.

TYRUS R. TIMM: The general objective of the Texas extension phase in agricultural policy is to provide people living on and off farms with a clearer understanding and a better appreciation of their stake in national policies and federal programs that bear directly upon their farm incomes and prices of farm products.

Extension policies and procedures in this field of work are geared to educational training in (1) basic principles, (2) causal relationships and (3) the pros and cons of specific proposals. Such an approach requires scientific analyses plus attention to

values people in different walks of life place upon the political, economic and social considerations involved.

In other words, we are trying largely to improve our knowledge of things which should help us in analyzing any federal program rather than taking a lot time on a specific federal program. It seems to us that this is the only way our agents can continue to help farmers make intelligent determinations on problems pertaining to public policies.

In fact, we believe that even if our headquarters staff were sufficiently large to try to burden agents with details about every new program proposed, it would be unwise to do so. We do, as in the case of the Brannan Plan, try to supply agents and farmers with information about the most essential features. For further details however, we suggest they refer their questions to county and state personnel in the Production and Marketing Administration.

Numerous means are used in trying to make our educational work in public policy more effective. Some of these are:

- (1) A mimeographed statement called "Economic Facts & Opinions" is prepared for the agents on the average of once a month. Currently important topics in the field are presented. By this means agents are supplied with subject matter for their local discussions. Recently, discussions have centered on principles and relationships involving the importance of England's economy to us, basic requirements in building a democratic Europe, levels of price supports and production controls.
- (2) The economists attend as many statewide, district and county meetings as possible. For the most part these meetings are sponsored by service clubs, chambers of commerce, farm organizations, and government agencies. Particularly significant to us is the educational work done in cooperation with the Production and Marketing Administration. During a recent 12-month period, principles and alternatives in "production control and price support" were discussed in meetings attended by the state committee and 52 county P. & M. A. committees.
- (3) Another technique that we believe is being used to an advantage, is that of providing heads of farm organizations and others influential in matters of agricultural policy with timely and pertinent information. This is done both by correspondence and personal visits. They seem to appreciate our assistance very much. Sometimes preliminary proposals of these organizations in regard to agricultural policy are reviewed by us and possible contributions and shortcomings brought to the group's attention.
- (4) Usually agents are trained in district and sub-district meetings. An introductory talk of about 45 minutes on the basic issues at stake is given and then the remainder of the day is used for round table discussions and for summarizing the pros and cons involved.

- (5) The leader of the Texas extension program in agricultural policy with the full support of his administrators has taken advantage of every opportunity to participate with regional and nation-wide groups who are active in the policy field. For example, he has served on the National Agricultural Committee of the United States Chamber of Commerce, is now on the southwide board giving general supervision to the Southern Farm Forum held each year in New Orleans, and is one of the 12 members of the National Policy Committee created by the Farm Foundation. These opportunities provide very valuable contacts and worthwhile information for educational work in agricultural policy. In this connection, the economist in charge should make his administrators conscious of the fact that "research" in agricultural policy is to be found at this time largely outside of the State agricultural experiment stations.
- (6) In order to obtain close cooperation in the extension program from business interest, the Texas Agriculturist Commercial Council was established. Membership is limited to those men associated with business concerns and business organizations whose primary purpose is to improve relations between business and agriculture. The membership includes such men as agricultural agents for railroads, agricultural directors for chambers of commerce, and agriculturists for banks. These men, by their profession, are faced daily with the complicated inter-relationships of business and agriculture, and therefore, are happy to cooperate in related educational programs. They assist very materially by bringing groups together, providing funds and using some of their time to promote discussion.
- (7) The latest technique to be attempted is a three weeks graduate course planned for this summer by the Extension Economist, called "Government and Agriculture". Enrollment will be limited to a total of 25 agents and extension staff members. It has been approved as an in-training service course for extension workers and the agents will receive subsistence allowance the first two weeks of the course. At the beginning, historical patterns in agricultural policy will be reviewed with the following discussions centering upon political, economic, and social considerations involved in these patterns. We hope through this approach to do a better job of appraising the likely outcome of future government proposals on price and income matters. This course will be devoted solely to fundamentals. It will not be a workshop course.

The extension specialists working on agricultural policy must decide what share of their time should be spent out in local discussions: "near the forks of the creek", as we like to put it. My opinion is that we should spend more time than we have in the past with county, district and state officials of farm organizations and with leaders of other groups. At least in the short run, they are the persons who will be most influential in changes on the policy horizon. Obviously, we must work some with both groups.

In some states, too little attention may be given to assisting these leaders who

are "on the firing line" on such policy matters as price supports, production controls and agricultural credit. It is more difficult to work with these officials and leaders, first due to their greater knowledge of the subject, and secondly, in view of the political pressures upon them for certain programs. However, if your educational efforts include "both sides" and are properly timed and integrated, you can be of considerable assistance to them without becoming allied with recommendations of any particular organization.

Above all, the extension program in agricultural policy should not bounce from one emergency to another. The educational work should be handled in stride as are most other extension phases. We believe that results will be much greater from fewer, well planned and carefully prepared discussions than from hastily conceived mass meetings which are often called on this and that public problem.

G. W. WESTCOTT: I have been somewhat disturbed by occasional remarks that have crept into this conference concerning extension attitudes with respect to the objectivity which is essential in carrying on this type of work. I believe that we are now reaching the point where we should begin to discuss some of the problems having to do with the attitudes that extension specialists should maintain in carrying on work in the field of public policy problems. I recall that at the Extension Conference on Public Problems in Washington last June, Roger Fleming met with us. He told us that the Farm Bureau is looking to the Extension Service to carry on educational work in the field of public policy, since it is the only strictly rural educational agency in the field. He pointed out that the Farm Bureau cannot do it because it has to take stands on public policy problems. He went on to say, "The minute we take a stand on some issue, then that eliminates us from the position of being able to carry on impartial and unbiased educational work whereby all sides of each issue are presented with the supporting factual information."

You noted that yesterday morning Dr. T. W. Schultz told us as he went along where he stood. Dr. Schultz and Dr. Jesness and others are in a little different position than we are. They are proponents of certain viewpoints which they have developed objectively. But there are other viewpoints too and if we are to maintain an atmosphere of pure objectivity, extension specialists must present all viewpoints with the supporting evidence, in order that each participant can form his own opinion without being influenced by the personal opinions of the teacher, - in this case the Extension Specialist. Furthermore, - there is an old principle of long standing in discussion group technique and that is: that once you have "given the answer" then all discussion stops or at least we may concede that the "final" answers tend to squelch free discussion and thought.

I suggest that the Extension Specialist can and should adhere to the accepted principles of academic freedom which are (1) in the classroom, he has the obligation to his students to present all sides of the issue fairly and without bias, - (2) outside the classroom he has the right to express his opinions according to the dictates of his conscience. The Extension Specialist is in a more difficult position than the resident teacher inasmuch as his "classroom" carries a much broader concept.

* * *

Before looking at the materials which I have handed out,* you should know about the type of extension groups we are working with in Massachusetts. As in all states, we take advantage of every opportunity to reach the masses through the press, radio, and other media but the materials I am about to present to you are developed for use with leaders. We work with leaders through our county councils or rural policy committees which are the present-day version of the land use planning committees of the late 1930's. We use these Committees as a nucleus for bringing from 25 to 50 people together representing a cross section of farm leadership at the county level. We like to get our groups together for an evening, preferably for a dinner meeting with both men and women present. Under these conditions one has at least two hours for informal, yet well-ordered discussion.

At the first meeting we consider the whole question of national farm price and income programs on a broad basis, as I will explain later. This gives the group perspective and the groundwork for a more detailed consideration of some of the parts of the whole at later meetings. In some of our counties these county groups have held two or three followup meetings. From this point of beginning, the interest spreads out to meetings with groups whose representatives had already participated with the county group. Presently Farm Bureaus, P.M.A. Committeemen, P.C.A. members, Vo-Ag. night schools, and the like, are sponsoring meetings.

Each of you have a set of materials before you which I will use as the basis for explaining the procedure for Extension teaching on the broad subject "National Farm Price and Income Programs and Policies," with a group, say, of from 25 to 50 farm leaders. These materials are not complete within themselves but are designed to supplement a discussion and can be used after the meeting by the participants as reference materials.

The group is first directed to turn its attention to the question: "What should be the objectives for a Sound National Farm Price or Income Support Program?" If time permits this question is put to the group. Each member is encouraged to state his own ideas. This technique "breaks the ice", gives each a chance to "get something off his chest," and makes the entire group feel that the meeting is theirs. Everyone is free to talk. The leader uses a blackboard and writes the points down. There are soon many viewpoints before the group and we have a list of objectives that are quite similar to the list you have before you. This list represents what may be termed areas of agreement by most people. It may be used as the criteria for judging the soundness of the various proposals to be considered later.

These statements of objectives are necessarily very general in content. For example, take the first one; "A Sound National Farm Program should encourage the production of enough food and fiber to maintain high living standards." That brings up the questions of what we mean by "high" living standards and what we mean by "enough" food and fiber. One could spend a whole evening on this question and as a matter of fact, if the group has followup meetings, one of them is likely to be devoted entirely to this topic of "Objectives for a Sound National Farm Program."

The leader of the meeting is fortified with charts and may use them in much the

*17 pages, mimeographed. Omitted from this report.

same way as explained by Mr. Dvoracek of Minnesota. For example, the chart on "Index of Prices Paid, - Prices Received, and Farm Price Parity Ratios", may very well be used with the objective "Keep farm income high enough to give farmers living standards equal to those for the rest of the nation." There are, of course, endless other charts which can be used to contribute to discussion of this objective.

If we have the entire evening with our group of leaders, say two hours, then we can afford to use about 20 minutes for the discussion on objectives. Then we must turn to the next question which is, "Do you think farmers need a farm price or income support program?" Here again, if time permits we put the question to the group and we end up with many pros and cons that are not far different from those included in the list in the second part of your materials (the blue sheet).

At this point, I wish to say a word about the mechanics of listing the pros and cons, the yeses and nos, or what have you. Some may think the mechanics of organizing and setting up these points as unimportant trivia, but I am of the opinion that this is a very important detail in maintaining proper teaching objectivity. A simple listing by pros and cons, or yeses and nos, runs into difficulty because some of the viewpoints are first raised by the proponents and then answered by the opponents, others are first raised by the opponents and then answered by the proponents.

I believe we have a solution for this problem by setting the opposing viewpoints up opposite each other on the page but grouping them according to whether the point is first raised by the opponents or first raised by the proponents. You can see how this listing has worked out in the material which you have in hand.

Another twenty to thirty minutes can be used for the discussion of this question. Often the group decides to devote an entire follow-up meeting to it. At the close of this phase of the discussion it may be concluded that regardless of the opinions of the group, the country, for the present, at least is embarked on a vast farm price support program. (A perusal of the yellow sheet in your material vividly bears out this statement.) Both major political parties are committed to farm price support programs. The major areas of debate are not whether or not we should have a farm price support program but "How high" should we support farm prices and what methods should we use ("How?"). Therefore the discussion for the last half of the meeting is centered around these two questions, namely: "How?" and "How high?".

We first turn to the question "How high?" The formidable table on the green sheet in your material is a digest showing how high farm prices have been supported for the principal farm commodities under some of the past and present programs and how high they would be supported under the Brannan proposals or would have been supported under Title II of the Agricultural Act of 1948 (The Aiken Bill). This table is followed by six pages of footnotes which explain the details in each case and also outline the salient features of the Brannan Proposals and the Agricultural Act of 1949. This table serves as the basis for the discussion on how high prices should be supported. It is also useful for reference purposes.

The last item in your set of materials (the yellow sheet) deals with Methods for supporting farm prices or farm incomes. It lists the various methods used or

proposed for supporting farm prices first by reducing or controlling supply. Under each method we have included some of the salient viewpoints pro and con. We have also indicated the programs and proposals under which each method has operated or could be used.

We have next listed some of the methods used or proposed for increasing the demand. And finally we list some of the proposals which have been made for supporting farm income, with the proponents' and opponents' viewpoints appropriately arranged.

It is obvious that such a discussion meeting as I have just described covers a large area and obviously cannot lead into much detail. But it does create perspective, and that is extremely important as a background for constructive and logical thinking which comes with later follow-up meetings which deal with the parts of the whole.

* * *

I would like to close my remarks by returning to the matter of objectivity in our Extension teaching in the field of public policy problems. Most of us have done a great deal of outlook work in the past and I am sure that many of us have taken precautions to present the background information and recognize that each participant given equal amounts of information is equally able to form sound conclusions regarding the future. To be sure we have often been asked, near the close of the meeting, "What do you think?" And most of us have told them after using due precautions to point out that the question leads into the field of personal opinions and judgments where the limitations are obvious. But we have tried instead to give them the background information and logic. In other words we have tried to train them in the art of thinking by providing them with some tools to think with.

In the field of public policy problems we are faced with the same situation but to a little different degree. The factual evidence is apt to be a little less obvious and the pros and cons with their associated logic are likely to be more numerous, and the conclusions less obvious. If we use painstaking care in presenting all of the viewpoints fairly and without bias, the participants will become so impressed with these varying points of view and so absorbed in thinking through the problem for themselves that they will be less apt to stop and wonder what you think. During the past six months I have conducted many meetings of the type just described and I have had many people commend me for the unbiased manner in which the material was presented and express appreciation for having all sides of the issue brought out. I haven't had a single person ask me what I thought.

Often times I have discussion with groups which are committed to certain stands on the issues. I present my material including all viewpoints as fairly as possible. Then I am followed with group representatives who state their viewpoints and stands taken. This leads to constructive discussion, - much better than if the group hadn't had a little training in objective thinking first, from the Extension Specialist.

PAUL JOHNSON: Gentlemen. I should say by way of introduction that I want to do my speaking from the point of view of the local press rather than a regional farm magazine because I think that is closer to the problem you are dealing with.

We cannot ignore the public media of expression. Some people have tried, but you cannot shake off their importance in the field of public affairs. Some of you have been County Agents, and you know how much trouble can be raised when a farm paper comes up with a story which contradicts or is a year or so ahead of extension recommendations. You can call the agricultural college and say, "When are you going to get out that bulletin? The farmers are pestering me and we must get our story integrated." You know the embarrassment that can be caused. You know something of the damage that can be done, or maybe the good things that can be done, by the power of the press. Nor can we ignore the radio.

There are certain things about using these media that are very difficult. One of the men here spoke of subjects that should not be tackled unless you have an hour's time. What if you have only five minutes? What are you going to say in that short period of time? Are you going to weigh the pros and cons? Are you going to leave the impression that there is a whirlpool of indecision?

People want something to live by. You say they want only to hang it on the wall and depart from it. Of course, human nature being what it is, there is a lot of departing. But they do want something to live by. The County Agent is going to leave a void unless he gives them something definite. I don't care how much you talk about the techniques of presenting all sides. We have economic principles which can be defended, and I believe that one of the techniques here is to give your County Agent some simple points to drive home. What are some of them?

There are a lot of things that have never been explained well in words of one syllable. Wealth is production rather than price or money. Half of our people haven't figured that out yet. There is a job to be done, and maybe we can do pretty well in five minutes on the radio if we choose our words right. Professional patterns of thinking must give way to a more direct and simpler approach. That is what the County Agent has to do. What are the fundamentals of trade and what do restrictions do? People do not understand that yet.

How about efficiency? On the radio the other day I said something about the time had come when we had better quit licking our wounds (eggs had dropped badly) and face the fact that the poultry business has changed. Farm wives who have 100 hens and who want to sell a few eggs for pin money are taking me to task. I have to find ways of explaining in words of one syllable why the egg business should go to the most efficient.

How about subsidies and controls? Why does a subsidy bring control? I would hate to have to explain that in five minutes. But the job has not been done and I think it can be done.

The County Agent has to have a gospel. You say, no, that spoils his objectivity. But the other fellows have a gospel and they will go places with it. There are certain things you can hammer across to guide a man's thinking.

Then there is the M factor. It is something the County Agent must deal with, and I don't think even the economist can ignore it. I am talking about the quality in the human being that you have to depend on if you are going to do extension work. It is a kind of a moral responsibility, self reliance, a stubbornness about hanging on to

certain freedoms. It can be defined in many ways. There comes a time when you come up against it. You have to lean on the M factor or your cause is lost.

There is an old story about the old man who was planting a tree and a young fellow came along and asked him why he was planting a tree. The young man told him that by the time the tree grew big enough to make any shade he would not be here to enjoy it. And the old man replied that for many years he had been enjoying the trees that somebody else had planted. Unless you have people who have this quality economics cannot go far.

Apply this to the Brannan Plan. As an economist I am attracted very much by the idea of cutting loose the market so the products will move at the prices they will bring. It would solve a lot of Problems. But what about the M factor and the Brannan plan?

If we are to do effective work in public affairs, we must give thought to the techniques. People listen to the radio. Many listen to the radio who never go to extension meetings. They also read the Prairie Farmer. There are people who get their information almost entirely from these mass media.

GENERAL DISCUSSION

MR. BOTTEUM: We will now open the meeting for questions, comments, and additional suggestions from the audience.

MR. MAUCH: Mr. Johnson expanded one of my statements when he said we did not always have two hours to present some of these things and had to do the best we could in the time given us even if it should be only five minutes. What I meant to say was that we could not go into these matters in as much detail in two hours as some of you can when you have a whole day. We do use the five minute type of approach which is different from the two or three hours.

I want to ask Westcott who does the work in getting together the data he presented.

MR. WESTCOTT: In our case, yours truly has done most of it. We like to think of assistants and associates and the entire staff doing it and from what I hear from Michigan State you have a project and some resources so your interest is spread around a little bit.

QUESTION DIRECTED TO MR. MAUCH: Do you have full time economists in Michigan devoting their time to this?

MR. MAUCH: It takes a lot of time and we have not learned to say no, so we are spreading the gospel in meetings and working with County Agents and I am one of many who is complaining about trying to get the job done. We are going to try to cut down and get more facts and use some other devices. I am on the teaching staff too.

MR. KOHLMEYER: George, do you think you could find anybody who could prepare this material so you could use it yourself?

MR. WESTCOTT: I would like to think we have some associates that could do it. It is a matter of cooperative procedure on the part of the college staff. I would like to have a chance to comment and criticize it and make suggestions.

I would like to add a word to what Mauch said about the available time. We, too, will not turn down an opportunity for five minutes on the radio or any other opportunity, but I would like to cite an example of what we get into sometimes when we are limited by time. We had one of these discussions with a county group of about 60 leaders and they decided they wanted another meeting. At the second meeting they decided they would like to have a representative from the Grange and the Farmer's Union, etc., to discuss their resolutions, and they invited me to be there, along with two or three others to consider the viewpoints of the different farm organizations. This was fine, but during the course of the meeting dried eggs came up for discussion and there was so much misinformation (who am I to judge what misinformation is) about the government buying rotten eggs and drying them, and I felt moved to get up and back up the government. I had a minute or two to do it and I was careful to qualify my statements by saying that I was not taking one side or the other, but it was a matter of fact that the government had certain requirements for eggs which they were drying. But about a week later I got a letter from a farmer enclosing a clipping from some journal and he had underlined some sentences which showed that what I had said was wrong. He got an erroneous impression of my remarks. He drew a lot of conclusions from what I thought I had said. He had not been at the first meeting.

MR. WELLMAN: Johnson's basic point challenged this concept of objectivity which you people have been putting forward. To be objective is to be colorlessly mutual. I would like to know if this is the concept of objectivity which the land-grant institutions should uphold. We have our illustrations and we get them balanced on each side of the page. I would like to ask Mr. Johnson . . .

MR. OGG: I want to know if Mr. Wellman includes me in "you folks." I do not agree. When people ask me what my opinion is I answer them. I answer them at a meeting before everybody. There is a difference between what I have been setting up here as objective facts and my opinion.

MR. JOHNSON: I think I should explain that editors are addicted to two sins: one is overstatement and one is simplification. We are not in disagreement really. I believe in objectivity. The point I want to make is that we must have some verities and they may be some of these economic laws, concepts, that we have been working on for years. There are people who challenge them. There are people who challenge the simple one that wealth is production and not price. But I think the gospel that the worker in this field needs is a conviction that he is out supporting some of these basic ideas, and if he hasn't got them his lack of conviction will be transferred or transmitted to his audience. I am all for objectivity but it must be objectivity with a punch. I have known psychologists who have wound all over and ended up with no yardstick, no measure whatever, and I think as far as the public is concerned that can be fatal.

MR. WESTCOTT: I wonder if this matter of leaving people in the sea is due to our not stating the viewpoints with clarity and conciseness. If we get the viewpoints

expressed with punch - what this group thinks, what somebody else thinks - then at the same time you can leave it to the other fellow to make up his own mind.

This point that Mr. Johnson raised about the M factor bothers me a little. He used it in conjunction with the direct payment idea. He said now you bring in the M factor. Is there room for different viewpoints? Are we fulfilling our mission if we don't bring out the different viewpoints? In order to elaborate, I am reminded of Senator Paul Douglas's discussion of recent months in conjunction with government economy. He brings out, as he goes down through the budget, that one place where he would eliminate \$400,000 is in the deficit for second-class postal matter which is quite an item. He raised the question if it would be better to raise the postage. We know that the reason for this low rate in the beginning was to get this material into the hands of the public. Then he brings out the fact that today there is a lot of commercial advertising in second-class postal matter, as in Time and Life magazines. And so Mr. Douglas raises the question if it would not be well now to raise the rates so the government will not be out money in distributing these magazines and other such matter. So you have two points on this question. There are arguments in favor of getting the direct subsidies and there are arguments in favor of other subsidies in the form of tariffs, etc. Bring out these different viewpoints and let your group make the decision.

MR. BRUNNER: I agree with Mr. Johnson, even to the point of agreeing that there are economic and social verities. Beneath those there are some fundamental verities we can fall back on and I would like to give a personal experience. Director Wilson sent me to a conference during the war and gave me one instruction. He said that I should not mention Argentine beef. That was okey, but he did not instruct the audience, so I was faced with the question. My approach was that I knew it was a controversial issue and the emotions were not only in Colorado but they were back East also and the belief was that everybody had a right to express an opinion and inasmuch as the East had more Congressmen, it was the obligation of the people to look at the other side because the issue eventually was going to be determined by votes in Congress. So I went ahead and tried to answer the question.

MR. SCHRUBEN: On this point that Dr. Wellman raised, I am wondering if in our work in this field we discuss this group thinking, etc., and if we don't have the responsibility of going one step further and giving our audience some basic information that will help that audience come to an intelligent decision as to which point of view they want to accept.

MERVIN G. SMITH: We have done this sort of thing on the Brannan Plan and have not taken sides. We have been asked and sometimes we have given our opinion. We do not need to stress our opinion, we can leave that out. We are only one and maybe the opinion of others is okey.

MR. BOTTUM: Would you make it clear when you say some of these points. Are you talking about points or the over-all question of whether the Brannan Plan is good or bad.

MR. SMITH: I answer like Ogg. I come back to the principles which I think are right or wrong. Whether we handle this or not and whether we can successfully get along discussing these questions in public comes back to this question of how much

of this M factor we have.

QUESTION: I would like to ask this question: Why should the techniques in the field of agricultural policy be different from those in the field of production, for instance? In the field of production we don't hesitate to try to influence for better production practices. Why be more hesitant to express opinions that will tend to influence in the direction which research has demonstrated is sound?

MR. STINE: Just one point in that connection. When someone in Washington said that the farmers want to get their income out of the market and not from the Treasury, you can answer him that it will cost maybe less to get it through the Treasury, but there is a point that is missed. You may be able to show in your study that the number of dollars may be less but the question comes back to political science. You know how you get it out of the market but how you get it out of Congress is a little bit more uncertain. That is a question of evaluation. You need to point it out and answer it.

MR. CASE: I would like to ask Mr. Anderson a question. I think the technique he employs is to present both sides before he tells them what he thinks. Most men who are successful will not be able to dodge the folks when they ask a question, but it is not well to give them your opinion first. Too many of us go out to sell a bill of goods instead of presenting the unbiased points of view. When you are pinned down people expect an answer.

MR. ANDERSON: I was thinking of the matter of ends and means and if you present the ends first and then try to support your arguments . . . whereas if you discuss the ends and then they ask your opinion I think you are in a safer position.

MR. BOTTUM: When you speak of "ends" are you talking about something different from Westcott?

MR. ANDERSON: I may have a different objective. That is a matter of opinion. We ran into some difficulties in the tax situation. This discussion proves that we need to discuss public policy before the issues come up because then you get the emotional factor when people cannot think clearly.

MR. BOTTUM: You are saying that timing is very important in policy.

MR. WELLMAN: What is objectivity in this field? It has disturbed me a bit that we think we are being objective by giving both sides of the arguments. We must base our education upon such evidence as we have and not upon people's opinion. If we go out on other programs, it is not important to say what is the evidence which will support these things. On some of the arguments there is no question. We can offer evidence that we have accumulated and we can and should point out why these arguments seem to be based on evidence.

MR. BOTTUM: There are certain parts that you have to consider why you say we have evidence. Then there are other parts which are social values for which there is no evidence. In arriving at policy decisions, don't they have to be based on things we have evidence for and things for which we have no evidence.

MR. WELLMAN: I do not see any point in trying to educate people on things on which there is no evidence, no knowledge.

If the political scientist has information on it, let him give the evidence . . . All the economist can say is that it is relatively unimportant and the decision has to rest elsewhere.

MR. LORD: I want some information on training leaders. They are getting these questions. How are they handling them?

MR. OGG: In Iowa we are training leaders differently than they are in Michigan. They are training leaders to go out and re-extend the information. Our training is aimed to train leaders to participate on their own, and we ask them to look upon this as an opportunity to carry on intelligent discussions with their neighbors across the fence, etc. We are not asking them to act as leaders of meetings.

MR. SCHRUBEN: Ogg, I believe it would help if you would relate some of the topics you have used?

MR. OGG: We have spent a large part of our time on two items of economic stability. This fiscal and monetary thing, and then the whole background in terms of resource allocation in the problems that agriculture faces. This last fall we did get into an analysis of the controversial issues. In addition we have had some meetings with county leaders on the United Nations, the analysis of peace with Russia, an analysis of the problems of world food and population.

QUESTION: Do you train leaders to go out to discuss the question of peace with Russia, for instance?

MR. OGG: No, that is one we have used with leaders who are influential, but not to go out to lead meetings on that topic.

MR. BOTTUM: What do you present in the way of facts?

MR. OGG: We have information - factual information about Russia. It comes from different sources. I have with me the ditto sheets we prepared if anybody wants one.

MR. MAUCH: In Michigan, no matter how smart you are, if people do not listen to you or read what you have written, you are wasting your fragrance on the desert air. Therefore you must have material. We do not feel we are training leaders to be economists in the two hours we spend in a session. We take these leaders in three or four sessions and I think when they get through they begin to suspect that there are such things as economic principles. We put out a pamphlet. When they go through this pamphlet they can go to their neighborhood groups and carry it back - let the people get some understanding of what is involved. When they come back I ask them if there was discussion and an understanding among the group members. They have felt that there has been.

MR. COWDEN: I should like to make three points: First, it seems to me that the question of whether we should call this public policy or public affairs is something

the committee ought to keep in mind. I have no doubt that we are going to get into trouble on this thing. I feel that as time passes we should lay the ground work for the time when we do get into trouble. I am trying to talk to the administrators at the university and tell them that it is vital but that it is also dangerous, and I am asking them if they are going to tuck tail and run when we get into trouble. Second, the question of research. We started a project on research in public policy. Third, I have a feeling that a lot of trouble in colleges comes from within, not without. There are inter-departmental jealousies. I think we are going to get into trouble and I am trying to lay some groundwork for that day.

QUESTION: The discussion so far has been primarily on the point of training leaders, but the position of the County Agent has not been brought out. In our state we have to rely on the County Agents. What is their responsibility after you leave the county?

MR. MAUCH: In Michigan we are fortunate in having a sympathetic administration and they are prodding the agents to become more interested in the social sciences and this extension curriculum. We work with the County Agents in district meetings and bring our material to them first and then it is their responsibility to train the local leaders. Some are doing this and others are asking us to come in and help them.

QUESTION: They carry the program back?

MR. MAUCH: We are getting a lot of pressure to get this thing under way.

MR. WESTCOTT: I want to say to Wellman that I see where you can get the impression from the material I have given out that we aren't dealing with background information. We are doing two things. We are getting educational information and evidence to our people and we are giving them training in the art of thinking. I stop short of Dr. Wellman, I believe, by saying that if we give them the evidence then they can make their decisions. I do not believe that Dr. Brunner would be in disagreement with what I have said. He used the Argentine beef illustration. You didn't go out and tell them point blank what you thought about the question. You brought out the different view points.

MR. BRUNNER: I based it on the cultural value - that the people in Massachusetts had a right to their viewpoints.

MR. BOTTUM: I wish we could go on with this discussion this afternoon. But now I will turn the meeting back to Mr. Ackerman.

EXTENSION'S CHALLENGE IN THE FIELD OF PUBLIC POLICY

Skuli Rutherford

The topic assigned to me is "Extension's Challenge in the Field of Public Policy". My feeling is that the challenge is not whether or not we will deal with

problems of public policy, but rather how we will deal with them. I am sure that from the beginning extension workers, both state and county, have been dealing with many problems that have public policy implications. In some cases, we have made constructive contributions. In others, we may have failed to recognize the public policy implications, while in still other cases, efforts have been made to avoid dealing with public policy questions on the grounds that they were controversial and outside the extension field. My feeling is that the present challenge is really how we shall deal with problems of public policy and what training we will give our workers in the handling of such problems.

Having made these general statements, I would refer to the specific challenges which have been placed before extension during the last five year period. In 1944, the Committee on Post-war Agricultural Policy of the Association of Land-Grant Colleges and Universities issued its report on Post-war Agricultural Policy. The report dealt with a number of policy problems including adjustments in agricultural production, agricultural prices, tenure, conservation, rural living and social facilities, and the role of farm people in policy making. The report dealt boldly with these questions. The nature of the report, however, was such that except as extension divisions of the Land-Grant Colleges get out in rural areas and discussed it with farm people, it could have little influence on public policy. While not specifically stated, this report did constitute a very definite challenge to the various extension services. In 1945 the Post-war Policy Committee submitted a second report. In that report the committee spelled out very specifically challenges to resident instruction, experimentations, and the Extension Service. Among the suggestions were, (1) that time of extension workers, especially county workers and agents be so adjusted that agents would have more time for problems in the field of public policy, (2) that in the training and selection of personnel, more weight be given to competence in social studies. It was also suggested that Extension Service training in these fields be provided and that leave of absence for graduate study be considered, (3) that an organized program of community discussion meetings for both adults and young people be initiated, (4) that a person be given responsibility for assembling, digesting and disseminating to the extension staff new material and information concerning public policy as related to agriculture, (5) that administrative protection and financial support for county office extension be such that an expanded program in this field would be possible.

Again in 1948, the Joint Committee Report on Extension Programs and Policies devoted considerable space to discussion of public policy questions, and of extension's relationship to and responsibility for developing activity in this field. These three reports constitute a very direct and specific challenge to extension to develop competence in the field of public policy and to provide leadership both in providing basic material and in developing discussion of public policy questions among farm people. This morning in running through the Farm Policy Forum, copy of which was on the table at the back of the room, I find an editorial from the Hardin County Times on, "Selecting a County Agent". The article deals with the acceptance of the work of county agents on the part of farm people and the place that they now occupy. On commenting on the new county agent coming to Hardin County, it is pointed out, "As a result the new county extension director coming to Hardin County finds himself dealing with many farmers almost as well trained technically as he is. Furthermore he finds that their primary interest is for most part in developing better social and political tools with which to solve problems in agriculture in a highly organized and highly complex world society. They are no longer satisfied with having their adult

education programs built around the latest bulletins on blights, Bangs Disease, or how to cobble a dressing table out of a peach crate. It is so much easier and safer to go stolidly down the well known furrow of more and more test tube research and avoid those controversial political and social problems that are the real heart of present day farm problems. Attacking these problems takes courage, but without that courage the extension education program will interest fewer and fewer farmers than it should. The place of the college and its field staff will be taken by other less well trained but more practical minded groups." This challenge comes from the country editor looking at this own county agent.

In addition to the above, I feel a very personal challenge in the situation which confronts us on the agricultural theme. As revealed in the discussion yesterday, I still have some faith in the private enterprise system. I would like to see it retained at least until something better appears on the scene. I believe that more is involved in the free market than just the right to buy and sell what one pleases. Actually I suppose that what I am concerned with is that we deal with our present problems in such a way that as individuals we can still be in a position to express our opinion when and as we choose. I think there is need of our discussing the fundamentals of our economic system with farm people in order that they can better understand what can be done within the system to improve it and what actions will require a change in the system itself. People need to understand that the government as such does nothing. If we are to do away with the free market, some substitute will have to be provided to determine what to produce and what its price shall be. That substitute would almost inevitably have to be some individual's decision. For myself, I do not trust myself enough, nor do I trust anyone else enough to give that power. Therefore, I feel it necessary to consider all price proposals against the background of what their effect will be on this free market. What we do should be done on the basis of informed opinion. When we are considering what the Extension Service can do to meet the challenge in the field of public policy, it seems to me that close attention must be given to the county agent. The most influential person in the Extension Service is the county agent. He makes a hundred contacts with farmers where state workers make one. Farmers expect him to deal with public policy questions; and whether we like it or not, he does deal with them. He may either contribute to public understanding or he may add to error. In preparing for dealing with public policy questions the county agent should receive all of the in-service training we can give him. Several years back, Dr. Jesness and his staff went out and held dinner meetings to train agents in public policy questions. We felt that real progress was made. While we have had heavy turn-over of agents in recent years, this work is still paying off.

This year we built our Annual Extension Conference around the problem of public policy in agriculture. We intend to follow it up with district meetings where discussion and follow-up is possible. We are hopeful that some further progress can be made.

While the county agent is the key person in contacts with farmers, it is necessary to recognize also that each specialist, whatever his field, is also drawn into public policy questions. Specialists should, therefore, be given every opportunity to improve themselves in the social sciences, particularly insofar as public policy questions may touch their field of specialization.

In Minnesota county agricultural agents are selected by district supervisors and much help is given agents in program planning by the supervisors. It is therefore important that supervisors also be given as much training as possible in this field - first, in order that they may influence some in the selection of county workers and second, that they can make more positive contributions to county programs. If a workshop in the field of public policy is planned for the coming year, it would seem to me that it would be well that it include the agricultural supervisors as well as an individual in each state with assigned responsibility in this field.

Regardless of the amount of training given county workers, specialists and supervisors, there will be some repercussions as we go into the field to deal with controversial subjects. Speakers will be misunderstood and mistakes will be made. We have had this experience both with state and with county workers. It is well that this be recognized as we go forward in this field - that mistakes be avoided insofar as possible, but that those charged with administration both in extension and at the higher administrative levels give sufficient support to field workers so that they can make contributions in this field.

I feel very definitely that the Land-Grant Colleges and the Extension Services must meet the challenge in the field of public policy, and develop programs which will command the respect of farm people.

† WHERE DO WE GO FROM HERE? †

F. W. Peck

1. Background of Farm Foundation's interest in public policy.

The trustees of the Farm Foundation from time to time have indicated an interest and concern about the effects of various types of public policies upon the industry of agriculture, and upon the lives of people on the land. The officers of the Foundation from time to time have discussed public policy questions and problems. Early in the experience of the Foundation, Dr. Taylor indicated a very intense interest in this field, and discussed the national and international situation from both the economic and social points of view, with interested individuals and groups in Chicago and elsewhere. His book on international trade represents a contribution to the thinking in this particular area.

Some 15 years ago, emphasis was placed upon the need of a better understanding of public policy questions on the part of farm people, and the Minnesota Extension Service was one of the first to develop the discussion technique with farm groups in which public policy questions provided opportunity and material for the interplay of discussion between the leader and representatives of rural groups.

Believing that the present is particularly timely for expanding public discussions of many important economic, social and political questions that face rural people, it was proposed to the trustees of the Farm Foundation that we explore opportunities for stimulating ways and means of developing educational programs designed to increase the understanding of rural people, first, as to the scope and

importance of public policy; second, how public policy is made; and third, the effects of various types of public policy upon agriculture and upon the national economy. At the annual meeting last May, the trustees approved the proposed project and authorized a budget allotment to institute activity in this general field.

2. Our objectives.

We started under the general premise that an advisable pattern of relations with educational institutions had been established in some of our other work, and concluded that we should seek to incorporate such a project under this general pattern. Again recognizing that the greatest educational force in rural adult education is the agricultural extension service, it was our feeling that we might well start by suggesting that there might be an opportunity to increase the quantity and possibly the quality of public policy discussions by the extension service. Our object in this project, as in others, is merely to stimulate the organization and operation of a project on the part of those institutions and agencies that are active in the field of research and education. The Foundation had no proposed plan to offer, nor does it seek to establish viewpoints and attitudes concerning public policy questions. It is not concerned with formulating new policies or stimulating such action by others. It is seeking to advance public understanding, and because of the general objectives of the Foundation, we emphasize the rural field rather than the general public.

3. The widespread interest in this subject.

It is quite apparent that there is an increasing interest in this subject on the part of institutional administrators, by economists, by commercial and industrial interests - in fact, by all who are concerned with economic and social trends and with the general welfare. Possibly the increased emphasis has developed partially because of the growing activities of government that have brought fundamental changes in public policy to bear upon the problems of the day. Most of the present day speeches to public groups, much of the economic material going over the radio, much of the material in magazines and newspapers, together with a host of books dealing with subjects in this general area, testify to the public interest that is being aroused with respect to questions and problems that may be classified under the heading of public policy.

All of these facts together tend to complicate the development of sound and effective educational discussion programs that perforce contain many questions of a controversial nature. Hence the need for avoiding implications that may be interpreted as getting into the field of propaganda or indoctrination or even into "politics," rather than adhering to safe and unquestioned educational procedures and techniques.

4. The first step.

It seemed advisable to the Foundation that a group representing the land-grant colleges and the Department of Agriculture, with advisory consultants, be brought together for exploring this general subject and for deciding how best to proceed. This resulted in a national committee whose personnel you know. Administration is represented by four directors of extension, subject matter by four economists, and extension by four specialists that have worked in this field. The Department has two official representatives and the consultants consist of a leading political scientist and a prominent sociologist.

This committee formulated and organized the discussion conference that has occupied our attention during the last 2-1/2 days. In the original discussion with this committee and its consultants, emphasis was placed upon three possible areas of problems: One, the scope of public policy which would indicate the types of subject matter that are of major interest to extension discussion groups; two, the problems involved in developing successful extension teaching techniques and methodology; and three, types of training-in-service activities that might be sponsored that would afford opportunities for extension economists to become more expert in this field. This brings us to the consideration of advisable next steps.

5. Problems involved in looking ahead.

What is there in the research field that would warrant exploring this particular segment of the enterprise? Are we making the most of what we have now? Is there need of any research as to methodology of extension organization and teaching? Do we need experiments in the interrelation of much of the technical subject matter involved for most effective extension use? How well trained are the extension representatives in many of the important subject matter fields of public policy? I assume that major emphasis, much of the thinking, and possibly most of the programs have centered upon economic questions, but we note the wide scope of subject matter interest, and perhaps there are opportunities to increase the knowledge of extension people with respect to some of the social and political types of public policy problems.

How can those institutions that are undermanned in this field incorporate some phase of this subject along with their other responsibilities? How practical is it to think in terms of extension specialists, being assigned major activities in this field? Are we likely to push too rapidly into next steps under assumptions that not enough is being done, or that more training is required, or that administrators of the extension service can find the funds and can assume the necessary responsibilities for pushing more aggressively into this area? We need to be careful of our assumptions, it seems to me.

This raises the question with respect to administration's responsibility both in the Federal service and in the state institutions, concerning a greater emphasis on public policy matters. Is there any need of considering the administrative level as an important factor in going ahead in an organized fashion?

Another series of questions could be raised concerning how to safeguard this whole procedure from being involved in political implications, and resulting possibly in more or less direct relations to legislative actions. Is there any likelihood that the educational institutions would become embroiled in arguments and accusations or that they may be treading upon thin ice, and therefore had best confine their activities to the well established and relatively safer types of extension services?

Finally, are there training-in-service opportunities in which the Farm Foundation may best use its resources along any of the lines that have been discussed? We would appreciate the counsel and suggestions of members of this group. I did not accept this topic with any idea of indicating where we should go from here. To me it is an open question, and I have merely indicated some of the thinking that prompted me to ask some questions under the topic. Hence, I merely ask now, what do you think are advisable next steps?

